BUSINESS PROCESS REENGINEERING

FOR

ENHANCING CONTRACTING OPPORTUNITIES FOR SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED BUSINESSES

TEAM REPORT

December 18, 1998

U. S. DEPARTMENT OF COMMERCE

Preface

The following report is the product of an intense 60-day Business Process Reengineering (BPR) project that focused on enhancing contracting opportunities for small, small disadvantaged and women-owned businesses. This project is intended to be the first phase in the total reengineering effort. Its findings (i.e., this report) will become the foundation for specific implementation actions and a next phase whereby new teams will incorporate new initiatives, as well as any additional objectives, and create a revised and more detailed implementation plan.

This project was sponsored by Bradford Huther, Deputy Director and Chief Operating Officer, Bureau of the Census, Scott B. Gudes, Deputy Undersecretary for Oceans and Atmosphere, and Robert Welch, Senior Procurement Executive and Director for Office of Acquisition Management, Department of Commerce. The BPR team consisted of representatives from the Department and the following operating units: Bureau of the Census, National Oceanic and Atmospheric Administration, and the Patent and Trademark Office.

This report contains:

- ▸ Objectives that were given to the BPR team by its sponsors;
- ▸ Strategy used for the reengineering effort;
- ▸ Research and analysis of the "as is" and a desired "to be" environment; and
- ▸ Recommended actions with accompanying road-maps for implementation.

Near the completion of this first phase, two significant events occurred which have a bearing on these findings and recommendations:

- ▸ FY99 goals will be negotiated between operating unit CFOs and the Department's CFO, and those goals will be based on past experience and future potential contract work. Furthermore, individual operating unit goals will be expanded beyond traditional requirements of percentage achievement.

- ▸ A new government-wide committee of the Federal Procurement Executive Council on socioeconomic issues was established by OMB. The Commerce Senior Procurement Executive, Robert Welch, was designated as Chair of this subcommittee.

As a result, the next phase of this reengineering effort lends itself to expanding to a government-wide endeavor led by Commerce. Further, since the first phase of the reengineering effort resulted in thirteen recommended actions for improvement, it makes sound business sense to subdivide implementation into multiple teams, each with a different focus. Logical groupings are:

- ▸ Goal Setting and Small Business Advocacy
- ▸ Vendor Outreach and Promotion
- ▸ Data Collection and Reporting
- ▸ Procurement Planning

These groupings are similar to those used during the analysis stage of this initial phase of the reengineering effort. In addition, in order to insure continuity among new teams, a Commerce steering committee or Program Manager would need to be established. The justification for this is that there is overlap among the implementation actions of the four suggested teams, as reflected in this report.

Team Members

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NOTE: See Attachment B for more information about these participants and for a list of advisors to the reengineering team.

*Non-voting members

Table of Contents

Executive Summary

On September 29, 1998, a Business Process Reengineering (BPR) team was formed under the authority of Bradford R. Huther, Deputy Director, Bureau of the Census, Scott B. Gudes, Deputy Undersecretary for Oceans and Atmosphere, and Robert Welch, Senior Procurement Executive and Director for the Office of Acquisition Management, Department of Commerce. The purpose of this project effort was to conduct the first phase of a reengineering effort for enhancing the participation of small, small disadvantaged, and women-owned businesses in the Department of Commerce (hereafter referred to as "Department" or "Commerce"). Subsequent teams will use this report as their foundation for the next phase that will lead toward implementation. These teams will incorporate additional and new objectives, as well as any new developments (e.g., Hub Zones) in the socioeconomic and procurement arenas.

The specific project objectives for this reengineering team were:

- ▸ Review and revise the methods and procedures by which the Department's socioeconomic goals — including subcontracting goals — are established, communicated, monitored and reported upon.

- ▸ Design and implement outreach efforts to foster small business awareness of Department and Bureau contracting requirements, thereby enabling small businesses to better position themselves to compete as prime contractors or significant subcontractors.

- ▸ Implement procedures to ensure two-way communication between the Department and small businesses so that small business interests and opportunities are effectively represented and communicated in all stages of acquisition planning and execution.

- ▸ Redesign the Department's and Bureau's acquisition information systems to normalize reporting and enable Bureaus to provide the Department with timely, relevant, and accurate acquisition data.

- ▸ Identify methods and mechanisms that can be implemented to increase the success rate of small businesses that graduate from the program, thereby ensuring the continued availability of contract goods and services from firms that have performed well as small businesses.

Project participants were from Commerce, National Oceanic and Atmospheric Administration (NOAA), Patent and Trademark Office (PTO), and the Bureau of the Census ("Census"). Voting team members include representatives from acquisition, program, Concept of Operations (CONOPS), Commerce budget, Chief Information Office (CIO), and the Office of Small and Disadvantaged Business Utilization (OSDBU). Non-voting team members, in addition to a private contractor who is a BPR technical expert, include a representative from the Office of General Counsel (OGC) and support staff to administer the logistics of the effort. Advisors to the team include the Deputy Director, Office of Acquisition Management (OAM), Commerce; Heads of Contracting Offices from Census and NOAA; a budget expert from Census; and the Division Chief responsible for Census' BPR Facilitation Team. The project was conducted as a BPR effort. BPR is a widely used technique for enhancing business practices through the application of analytical techniques that emphasize innovative thinking and optimizing business processes for maximum return.

The Team developed and executed a Project Agreement, which is a contract between Management (or in this case, the Team's sponsors) and the team members. This contract authorizes (i.e., empowers) the Team to take all steps necessary to accomplish the stated project objectives, subject only to budgetary constraints, defined objectives, and schedule.

The reengineering team met for two months during which time they analyzed current practices and procedures to identify problems and deficiencies that work against the selection of small businesses in the acquisition of goods and services. The Team examined existing (as-is) small business outreach programs, procurement processes, small business goal setting and reporting processes to assure that it had enough information to reengineer the processes. Because of the short time allotted for completion of the project, existing processes were not rigorously documented as formal process diagrams, exhaustive process flow charts, or process maps.

The Team also considered small business advocacy programs and initiatives that are being used by other agencies including NASA, the Air Force, and the Departments of Justice, Interior, and Treasury. In addition, the Team examined the effectiveness of existing programs and policies that encourage large businesses to subcontract with small businesses in procurement actions where small businesses cannot, in and of themselves, provide the magnitude or scope of needed products and services.

Once this analysis was completed, the Team identified thirteen action areas that it recommends for implementation in order to resolve the deficiencies and achieve the objectives of the department's

socioeconomic programs. Part II of this report contains a "road-map" for implementing each recommended action.

The recommended implementation actions are summarized as follows:

A. Establish and implement effective procurement planning requirements and mechanisms so that contracting opportunities are identified at the earliest possible stage of the acquisition process.

B. Use Performance Plans and other techniques, such as commitment letters from Departmental executives, to reinforce support of socioeconomic goals.

C. Assign full-time Small Business Specialists in Departmental operating units who are directly responsible to the Director of OSDBU.

D. Use effective training and educational processes to raise employee consciousness about the importance of socioeconomic goals and the means by which goods and services can be obtained from small businesses.

E. Promote small business advocacy and superior performance through meaningful awards to outstanding small businesses, Commerce operating units that conduct effective programs to achieve socioeconomic goals, and employees who are innovative and successfully promote the use of small businesses.

F. Use Multiple Award acquisition vehicles and mechanisms such as Blanket Purchase Agreements (BPAs) and Government-wide Agency Contracts (GWACs).

G. Implement automated procurement support tools for management, data collection, and reporting.

H. Implement effective vendor outreach programs that inform small businesses of upcoming business opportunities and introduce program staff to small businesses capable of meeting program needs.

I. Implement redesigned goal setting that provides greater opportunity for dialog and negotiation between operating units and OSDBU as base and stretch goals are identified.

J. Redesign Internet access among Commerce and operating units so that these sites become a reliable, easy to use, resource of information to small business.

K. Establish a past performance database so that quality in performance can be tracked and

outstanding small business contractors can be identified.

L. Mentor small businesses and provide them with tools and skills necessary to meet government contracting requirements.

M. Revise Administrative and Organization orders, policies, and manuals to reflect the importance of socioeconomic goals.

The Team envisions the following "next steps" for the reengineering effort:

- ▸ The Team presents this report to its sponsors, Bradford Huther, Census Deputy Director and Chief Operating Officer, Scott B. Gudes, Deputy Undersecretary for Oceans and Atmosphere, and Bob Welch, Commerce Procurement Executive and Director for Office of Acquisition Management.

- ▸ The sponsors develop a plan for the next phase of the reengineering effort, whereby this report becomes its foundation.

- ▸ The sponsors present their recommendation to Scott Gould, CFO/Assistant Secretary for Administration, Robert Mallet, Commerce Deputy Secretary, and Linda Bilmes, Deputy Assistant Secretary for Administration.

- ▸ CFO Scott Gould assigns responsibility for the next phase.

- ▸ This reengineering Team becomes an Advisory Board to other teams during the subsequent phase(s).

"To Be" Environment for Small Business Participation

Administrative & Organizational Orders, Policies & Manuals to Include SB Focus

Procurement Planning that Identifies SB Opportunities

Mentoring Program to Promote Outstanding Performance

Performance Plans to Include SB Focus

Small Business Specialists to do Outreach, Training, and Mentoring

Past Performance Database to Track Quality

Training to Foster SB Use

Internet Access to Enhance Communication

Awards for Improvements

Realistic but Challenging Goal Setting

BPAs and Other Contracting Vehicles for SB

Vendor Outreach Programs to promote SB Participation

Automated Procurement Support Tools to Record and Track SB Use

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PART I: OBJECTIVES, RESEARCH & ANALYSIS

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INTRODUCTION

The Federal government has long emphasized the importance of providing small, small disadvantaged, and women-owned businesses (hereafter referred to as "small businesses" or SBs) with opportunities to compete for procurement awards and contracts with Federal agencies. Recognizing this, each fiscal year the Department of Commerce (hereafter referred to as the "Department" or "Commerce") and its components establish goals for awarding contracts to small businesses. The program is coordinated by the Department's Office of Small and Disadvantaged Business Utilization (OSDBU) and executed by procurement offices throughout the Department and its component operating units.

In 1996, the Department developed a reengineered approach to streamlining contracting practices and procedures. The reengineered process – Concept of Operations (CONOPS) – was successfully piloted at the Bureau of the Census (hereafter referred to as "Census") and the Patent and Trademark Office (PTO). Subsequently, the CONOPS process was tailored to suit the needs of each of the two piloting agencies and is currently known as the Reengineered Mission Acquisition Process (ReMAP) at PTO and A Streamlined Acquisition Process (ASAP) at Census.

The Census Deputy Director and Chief Operating Officer recommended that additional efforts should be directed to "...developing more effective ways of enhancing the participation of small, small disadvantaged and women-owned businesses...". The Deputy Secretary of Commerce endorsed this proposal and assigned a reengineering team drawn from Commerce, the National Oceanic and Atmospheric Administration (NOAA), PTO, and Census to carry out this general objective.

The reengineering team was convened on September 29, 1998. Participants in the reengineering effort are listed at the front of this report and further information is included in Attachment B.

The Team presents this report, including a number of recommended actions it believes will

achieve the objective of promoting the successful accomplishment of socioeconomic goals in all Commerce operating units.

OBJECTIVES

The following were set forth as definitive objectives to be pursued by the reengineering team:

- Review and revise the methods and procedures by which the Department's socioeconomic goals — including subcontracting goals — are established, communicated, monitored and reported upon.

- Design and implement outreach efforts designed to foster small business awareness of Department and Bureau contracting requirements, thereby enabling small business to better position themselves to compete as prime contractors or significant subcontractors.

- Implement procedures to ensure two-way communication between the Department and small businesses so that small business interests and opportunities are effectively represented and communicated in all stages of acquisition planning and execution.

- Redesign the Department's and Bureau's acquisition information systems to normalize reporting and enable Bureaus to provide the Department with timely, relevant, and accurate acquisition data.

- Identify methods and mechanisms that can be implemented to increase the success rate of small businesses that graduate from the program, thereby ensuring the continued availability of contract goods and services from firms that have performed well as small businesses.

SCOPE

The reengineering effort considered small business contracting practices throughout the operating units (previously referred to as "Bureaus") of the Department. The Team's analysis and recommended actions are applicable to all Commerce operating units.

STRATEGY

Reengineering Team Composition. The Project Team is composed of representatives drawn from Commerce, NOAA, PTO, and Census. Technical guidance and application of specialized BPR techniques and tools were provided by a private contractor. Voting team members include representatives from acquisition, program, CONOPS, budget, Chief Information Office (CIO), and the OSDBU. Non-voting team members, in addition to the BPR technical expert, include a representative from the Office of General Counsel (OGC) and support staff to administer the logistics of the effort.

Advisors to the team include the Deputy Director, Office of Acquisition Management (OAM), Commerce; Heads of Contracting Offices from Census and NOAA; a Census budget expert; and the Census Division Chief responsible for Census' BPR Facilitation Team.

Team Member Commitment. The Team Leader, BPR Operations Manager, Administrative Manager, and Scribe were committed virtually full time for the duration of the project. Team Members from Commerce, NOAA, PTO, and Census were required to participate at an average of two all-day meetings each week. Meetings were normally held at Census.

Project Agreement. The Team wrote and executed a Project Agreement, which is a contract between Management (or in this case, the Team's sponsors) and the team members. This contract authorized (i.e., empowered) the Team to take all steps necessary to accomplish the stated project objectives, subject only to budgetary constraints, defined objectives, and schedule.

The reengineering team met for two months during which they analyzed current practices and procedures to identify problems and deficiencies that work against the selection of small businesses in the acquisition of goods and services. The Team examined existing (as-is) small business outreach programs, procurement processes, small business goal setting, and reporting processes to assure that it had enough information to reengineer the processes. Because of the short time allotted for completion of the project, existing processes were not rigorously documented as formal process diagrams, exhaustive process flow charts, or process maps.

Preliminary analysis indicated that the project consisted of several elements that could be pursued independently, and sub-teams were established that concurrently pursued various elements of the project. These sub-teams focused on:

- Goal Setting and Advocacy

- Vendor Outreach and Promotion

- Data Collection and Reporting

- Procurement Planning

Once this analysis was completed, the Team again worked as one unit to identify the recommended actions and developed "road maps" for their implementation.

ANALYSIS: THE PRIMARY CHALLENGE

Reduced to its most basic elements, the primary challenge to achieving and surpassing Departmental socioeconomic goals is the program manager (or the program staff) who is responsible for initiating and overseeing the acquisition action(s) necessary to achieve program goals. Program managers are pivotal players in the acquisition process and in the consideration of small businesses as providers of goods and services.

To these individuals, the program objectives are paramount, overshadowing all other considerations. This is in no way intended to be critical of program managers. They are program goal- and success-driven. Program staff have little incentive or motivation to consider socioeconomic goals as they define and conduct procurements. In their view, the use of small (as opposed to large) businesses increases the risk that contract deliverables will not be on time and may be of marginal or below-average quality. Though there is a common perception, not without foundation, that small businesses will not be competitive in price with larger businesses, this is less problematic for the program manager.

Moreover, the program managers commonly view small business advocacy as just one more hurdle to overcome in the pursuit of their objectives. As advocates of small businesses and socioeconomic goals, Small Business Specialists (SBSs) (i.e., those individuals in the contracting office whose focus is small business involvement) become part of the problem, not part of the solution in the eyes of program managers.

In general, there is only one situation where program managers are likely to seek out small businesses: when time is short and small business services and goods can be obtained in less time than it would take to pursue a competitive procurement.

In summary, program managers understandably focus on acquiring contractors who are presumed

to present the lowest risk for satisfying schedule and deliverable requirements. Yet, it is the mission of the SBS to promote the use of small businesses. In the eyes of the program manager, such an approach decreases the probability of achieving program objectives. It robs program managers of the security associated with contracting with a major, low-risk source of contract services, replacing those sources with what the program manager sees as a high risk alternative.

To achieve the objectives of this reengineering effort, it is necessary to reconcile, as much as possible, the competing objectives of the program manager and the small business advocate.

RECOMMENDED ACTIONS OVERVIEW

The reengineering team analyzed current practices and procedures to identify defects and deficiencies that work against the selection of small businesses in the acquisition of needed products and services. The Team also considered small business advocacy programs and initiatives that are being used by other agencies, including NASA, the Air Force, and the Departments of Justice, Interior, and Treasury. In addition, the Team examined the effectiveness of existing programs and policies that encourage large businesses to subcontract with small businesses in procurement actions where small businesses cannot, in and of themselves, provide the magnitude or scope of needed products and services.

Once this analysis was complete, the Team identified thirteen action areas that should be addressed to resolve the deficiencies and achieve the objectives of the Department's socioeconomic programs. These recommendations address many aspects of the Department's socioeconomic programs: introducing new procedures and mechanisms for planning, conducting, and documenting procurement activities; designing programs to raise the consciousness of Commerce employees to the importance of socioeconomic goals; and using new techniques for establishing more effective relationships between the Department and the small business community.

Each of the recommendations is summarized in the paragraphs below. A more detailed analysis of the underlying problems, the "to-be" vision of the future, and the implementation strategy for

each recommended action is provided in the remainder of this report. (See the illustration of the "to be" environment in the Executive Summary of the document.)

Establish and Implement Effective Procurement Planning Requirements and Mechanisms

>   Procedures requiring advance planning of procurements should be implemented throughout the Department. This will enable small business advocates to identify opportunities at the earliest possible stage of the procurement process and increase their effectiveness.

Use Performance Agreements and Other Techniques to Reinforce Commitment to Socioeconomic Goals

>   The individual performance plans of all Commerce employees who manage or participate in acquisitions should reflect the need to conduct acquisitions within the context of the Department's socioeconomic goals.

Assign Full time Small Business Specialists (SBSs) in Selected Operating Units

>   Full time SBSs should be assigned to Census, NOAA, NIST and the PTO. The full time SBSs will be directly responsible to the Director of OSDBU. Part-time SBSs may also be used for field offices that have their own contracting office, but they will continue to report to the operating unit's contracting officer.

Use Effective Training and Educational Processes to Foster Small Business Use

>   A well-designed training curriculum for raising employee consciousness about the importance of socioeconomic goals and the means by which small business goods and services can be obtained should be developed and implemented.

Promote Small Business Advocacy and Superior Performance through Meaningful Awards to Commerce Employees and Small Businesses

>   Establish Secretarial awards to (a) outstanding small businesses; (b) Commerce operating units that conduct unusually effective programs to achieve socioeconomic objectives; and (c) individual employees or groups of employees who, through their efforts and innovation successfully promote the use of small businesses.

Use Commerce-Wide Procurement Vehicles to Promote Use of Small Businesses

Accelerated procurement mechanisms such as Multiple Award Contracts, Government Wide Agency Contracts, Blanket Purchase Agreements and the like should be used to provide access to small businesses. The existence of such mechanisms should be advertised throughout the Department to ensure that each operating unit is given the opportunity to use vehicles already put in place by other operating units.

Implement Automated Procurement Support Tools for Management, Data Collection and Reporting

The Procurement Automation effort being coordinated by the PTO can be expected to resolve many of the problems associated with the collection and reporting of socioeconomic data. In order to represent the interest of this reeengineering team, the team pursuing Procurement Automation should include a small business advocate or a member of the reengineering team. The detailed requirements to be met by the Procurement Automation contractor should include requirements identified during this reengineering effort, especially in areas related to procurement planning and contractor performance.

Implement Effective Vendor Outreach Programs

Regularly scheduled meetings and programs should be conducted to introduce operating unit program staff to small businesses capable of meeting program needs and to provide small businesses with advance knowledge of planned procurements.

Implement Redesigned Socioeconomic Goal Setting and Reporting Processes

The current process for establishing socioeconomic goals and reporting progress toward their achievement should be fine-tuned, providing greater opportunities for dialog and negotiation between operating units and OSDBU.

Redesign and Coordinate Internet Access for Small and Disadvantaged Business

The internet offers a powerful opportunity to provide information to small businesses. Commerce and operating unit home pages should be designed and coordinated to make them a reliable, easy to use, source of information to small businesses.

Establish a Past Performance Database of Small Business Contractors

> A past performance database that is kept up-to-date is necessary in order to track quality in performance. It will be from this database that a list of outstanding small businesses can be identified and compiled for publication. These small businesses would reflect those who have provided outstanding service to the Department and who will most likely satisfy program managers and their program objectives in the future.

Mentor Small Business to Promote Outstanding Performance and Continued Availability

> Other agencies have established effective programs to mentor small businesses and provide them with the tools and skills necessary to meet government contracting requirements and to survive graduation from small business programs. Commerce should implement similar programs for its own small business contractors.

Revise Department Administrative and Organization Orders, Policies and Manuals to Reflect Importance of Socioeconomic Goals

> Many Commerce orders, policies, and manuals are out of date and do not adequately or accurately reflect current socioeconomic policies and procedures. A comprehensive review and updating of these documents is needed.

These recommended actions constitute the substance of the reengineering team's findings. The Team believes that by taking these actions, the Department and its operating units will achieve the goals and objectives of this effort.

CROSSWALK: OBJECTIVES TO RECOMMENDED ACTIONS

To ensure that the goals and objectives were properly addressed, the Team correlated the recommended actions to the original goals and objectives. The following table represents this crosswalk. Note that some recommended actions support more than one objective.

CROSSWALK: OBJECTIVES TO RECOMMENDED ACTIONS	
OBJECTIVE/GOAL	**RECOMMENDED ACTION**
Review and revise the methods by which the Department's socioeconomic goals — including subcontracting goals — are established, communicated, monitored and reported upon.	• Implement Automated Procurement Support Tools for Management, Data Collection and Reporting • Implement Redesigned Socioeconomic Goal Setting and Reporting Processes
Design and implement outreach efforts designed to foster small business awareness of Department and Bureau contracting requirements, thereby enabling small business to better position themselves to compete as prime contractors or significant subcontractors.	• Implement Effective Vendor Outreach Programs • Redesign and Coordinate Internet Access for Small and Disadvantaged Business • Mentor Small Business to Promote Outstanding Performance and Continued Availability
Implement procedures to ensure two-way communication between the Department and small businesses so that small business interests and opportunities are effectively represented and communicated in all stages of acquisition planning and execution.	• Assign Full Time Small Business Specialists in Selected Operating Units • Implement Effective Vendor Outreach Programs
Redesign the Department's and Bureaus' acquisition information systems to normalize reporting and enable Bureaus to provide the Department with timely, relevant and accurate acquisition data.	• Establish and Implement Effective Procurement Planning Requirements and Mechanisms • Use Performance Agreements and Other Techniques to Reinforce Commitment to Socioeconomic Goals • Assign Full Time Small Business Specialists in Selected Operating Units • Use Effective Training and Educational Processes to Foster Small Business Use • Promote Small Business Advocacy and Superior Performance through Meaningful Awards to Commerce Employees and Small Businesses • Use Blanket Purchase Agreements to Promote Use of Small Businesses • Establish a Database of Small Business Contractors
Identify methods and mechanisms that can be implemented to increase the success rate of small businesses that graduate from the program, thereby ensuring the continued availability of contract goods and services from firms that have performed well as small businesses.	• Establish and Implement Effective Procurement Planning Requirements and Mechanisms • Implement Automated Procurement Support Tools for Management, Data Collection and Reporting

Recommended Ranking. To establish a hierarchy of importance and determine which actions are most important or should be implemented as soon as possible, the team ranked each on a scale of 1 to 10 against three criteria: Benefit, criticality, and difficulty. To provide reference points, the high and low possible scores in each category were defined in the following table.

RANKING CRITERIA	
CRITERIA	**DEFINITION**
High Benefit = 10	Unarguable and substantial benefits will be realized. All stakeholders will recognize the benefits and merit of taking this action.
Low Benefit = 0	Benefits are very 'soft' or nonexistent. Many stakeholders will believe that they have marginally benefited or realized no benefits as a result of the action.
High Criticality = 10	The action, if not done successfully, will jeopardize achieving the objectives of the reengineering project as a whole.
Low Criticality = 0	Even though it is desirable, not taking this action will have little or no impact on achieving the project objectives.
High Difficulty = 10	The action is very difficult to implement. The difficulty may be due to the review/approval process, the time it would take to implement, high associated costs, and/or dedicated required resources.
Low Difficulty = 0	The action has been determined to be relatively easy to implement.

The results of the assessment are reflected in the following table.

Rank	Recommended Action	Benefit	Criticality	Difficulty
A	Establish and Implement Effective Procurement Planning Requirements and Mechanisms	**10**	**10**	**10**
B	Use Performance Agreements and Other Techniques to Reinforce Commitment to Socioeconomic Goals	**10**	**10**	**7**
C	Assign Full Time Small Business Specialists in Selected Operating Units	**10**	**8**	**3**
D	Use Effective Training and Educational Processes to Foster Small Business Use	**9**	**9**	**4**
E	Promote Small Business Advocacy and Superior Performance through Meaningful Awards to Commerce Employees and Small Businesses	**9**	**7**	**3**
F	Use Blanket Purchase Agreements to Promote Use of Small Businesses	**9**	**6**	**4**
G	Implement Automated Procurement Support Tools for Management, Data Collection and Reporting	**8**	**5**	**8**
H	Implement Effective Vendor Outreach Programs	**8**	**5**	**3**
I	Implement Redesigned Socioeconomic Goal Setting and Reporting Processes	**8**	**4**	**2**
J	Redesign and Coordinate Internet Access for Small and Disadvantaged Business	**7**	**5**	**3**
K	Establish a Past Performance Database of Small Business Contractors	**6**	**3**	**5**
L	Mentor Small Business to Promote Outstanding Performance and Continued Availability	5	3	9
M	Revise Department Administrative and Organization Orders, Policies and Manuals to Reflect Importance of Socioeconomic Goals	3	4	9

RANKING OF RECOMMENDED ACTIONS BY BENEFIT, CRITICALITY, AND DIFFICULTY

To further facilitate understanding, the scores were plotted on the graph that appears on the next page. The plotting indicates that actions A, B, C, D, E and F will produce significant benefit (9 or 10), and represent critical elements necessary to achieve the objectives of the reengineering effort (6 to 10). This suggests that these actions should be addressed before the remaining seven recommended actions. Note that action A has been determined to be very difficult to implement and action B somewhat difficult; as such, it may be advisable to implement actions C, D, E and F first.

Actions G, H, I and J (and possibly K) have a medium high benefit (7-8) and medium criticality (4-5). If resources are available, they should be approached concurrently with the first tier recommended actions, except for G since it is much more difficult to implement. If resources are not available, implementation can be deferred until the first tier activities are completed or adequate resources are found.

The remaining actions, L, M (and possibly K) can be expected to have a low or modest benefit (3-6) and are viewed as having little criticality insofar as achieving the overall reengineering objectives. They may be deferred until other, more beneficial and critical actions, have been taken, especially since these actions have been determined to be difficult to implement.

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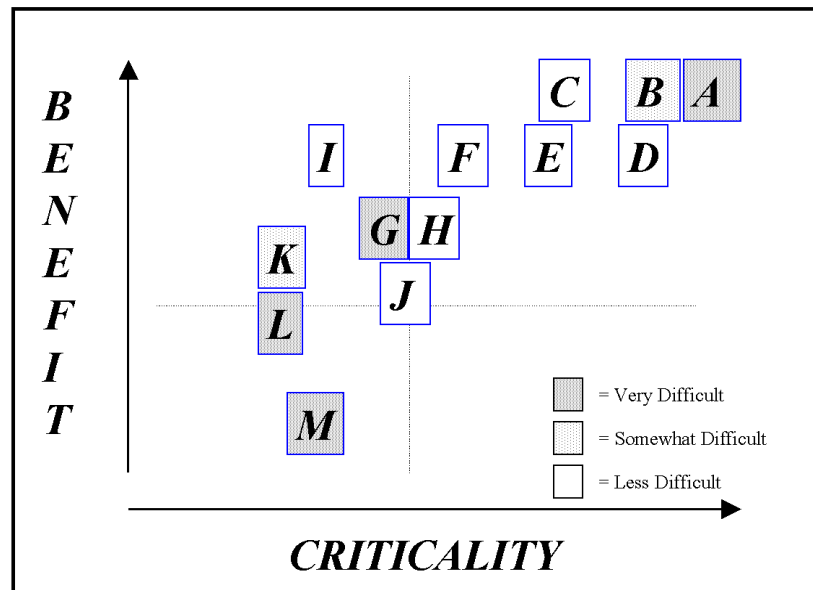
CRITICALITY

Proposed Actions Rated by Benefit, Criticality and Difficulty

KEY

A. Establish and Implement Effective Procurement Planning Requirements and Mechanisms

B. Use Performance Agreements and Other Techniques to Reinforce Commitment to Socioeconomic Goals

C. Assign Full Time Small Business Specialists in Selected Operating Units

D. Use Effective Training and Educational Processes to Foster Small Business Use

E. Promote Small Business Advocacy and Superior Performance through Meaningful Awards to Commerce Employees and Small Businesses

F. Use Blanket Purchase Agreements to Promote Use of Small Businesses

G. Implement Automated Procurement Support Tools for Management, Data Collection and Reporting

H. Implement Effective Vendor Outreach Programs

I. Implement Redesigned Socioeconomic Goal Setting and Reporting Processes

J. Redesign and Coordinate Internet Access for Small and Disadvantaged Business

K. Establish a Past Performance Database of Small Business Contractors

L. Mentor Small Business to Promote Outstanding Performance and Continued Availability

M. Revise Department Administrative and Organization Orders, Policies and Manuals to Reflect Importance of Socioeconomic Goals

TO-BE ENVIRONMENT OVERVIEW

In their entirety, the Team's recommendations address virtually all aspects of Commerce's programs to pursue its socioeconomic objectives. As envisioned, implementation of the recommendations will establish a comprehensive set of mechanisms, promotional devices, procedures, and incentives designed to promote the utilization of small businesses by the Department and its component operating units.

Goal Setting. At the outset, socioeconomic goals are established through a negotiated process that takes into consideration each operating unit's unique acquisition characteristics. While the targets established by the Small Business Administration (SBA) provide the basis for the formulation of socioeconomic goals among Commerce operating units, "stretch" goals are established to further encourage and increase the use of small businesses. The Secretary of Commerce's initial letter in June notifies operating units of the initiation of the goal setting process. It is only the first in a series of communications from Commerce senior staff that, throughout the year, reaffirm Departmental commitment to its socioeconomic goals. These letters serve as a calculated set of reminders designed to heighten awareness of those goals and the importance the Department ascribes to its socioeconomic programs.

Performance Plans and Awards. The importance of using small businesses is further emphasized by socioeconomic elements contained in the performance plans of agency heads, contracting staff, and program staff who are in a position to affect the selection of contractors. To further emphasize the program, the Secretary of Commerce makes and publicizes awards to the agency and individuals (or groups of individuals) who have made significant contributions to advancing and achieving socioeconomic goals. In the latter instance, the recognition is accompanied by substantial cash awards designed to further encourage the support of operating unit contract and program staff.

Awards to Small Businesses. Annually, the Secretary awards small businesses that have provided the Department with exceptional services. Businesses are nominated based on the COTRs' assessments of their performance as recorded in the Past Performance Database. The award has a significant non-monetary value to businesses who receive it, and is used as an indication of their understanding of government contracting and ability to respond to government needs. Nominations are evaluated by operating unit Heads of Contracting Offices.

Procurement Planning. A procurement planning discipline, supported by appropriate manual and automated functions in each operating unit, provides its contracting staff, as well as small business advocates, with information about upcoming procurements that may be suitable for small businesses. The procurement planning system is integrated with budget execution, ensuring that it is continually updated, thereby ensuring that the SBSs become aware of procurement opportunities at the earliest possible moment in the acquisition process.

Automated Procurement Tools and Past Performance Database. Standardized data gathering mechanisms collect procurement information from all Commerce operating units, making the information available to OSDBU and other staff. These mechanisms rely upon the commercial-off-the-shelf (COTS) tools acquired through the PTO's Procurement Automation Team's effort currently underway. It replaces antiquated capabilities like the Commerce Procurement Data System (CPDS), thus making it easier to extract needed information in a variety of formats, including standardized reports that satisfy most requirements. The data collection mechanisms are integrated with the procurement planning requirements, providing an end-to-end view of procurement activity. Information supplied by contracting officer technical representatives (COTRs) is used to maintain past performance data that chronicles the government staff's assessment of contractor performance.

Data collection mechanisms permit the orderly and timely accumulation and summarization of contracting practices, simplifying the preparation of reports that characterize the Department's successes, and the transfer of information to the SBA. Specialized components of the data collection system, such as the Past Performance Database, allow OSDBU staff to gain insight into operating unit progress against planned goals.

SBSs, Training, Outreach, and Mentoring. Full time SBSs are assigned to PTO, NOAA, Census, and NIST. Though the specialists report and are accountable to the Director of OSDBU, they work cooperatively with operating unit procurement staff, both serving as advocates for small business and representing OSDBU's field staff. Using the new procurement planning capabilities, SBSs become aware early in the acquisition process of procurements that may be suitable for small businesses. Because of their familiarity with operating unit objectives and personnel, SBSs are able to deal effectively with program staff in the promotion of small business goals. If a procurement's requirements are outside the capabilities of small business, the SBS is ideally positioned to encourage the inclusion of small business in subcontracting plans to larger businesses as part of the competitive proposals. Using the Past Performance Database, the SBS is able to identify to program staff, small businesses who have established an outstanding record of

providing services to the Department. The full time SBS is also able to point to multiple award contracts established by other Departmental operating units that provide an expedited means of acquiring competitively evaluated goods and services. Each agency's SBS also provides agency staff with access to small business training and educational resources that have been identified and organized by OSDBU.

The full time SBS provides support to small businesses aspiring to do business with the Department. Outreach programs, coordinated by OSDBU but executed by the local SBS, provide periodic opportunities for small businesses to meet with program staff in the operating units. These meetings are advertised through mailings, both conventional and electronic, as well as notices placed on Commerce web sites.

Among the SBS' responsibilities is to monitor the performance of small businesses, identify those that are providing less than satisfactory services to the government, and provide access to mentors who can assist the small business to be responsive to government needs. The SBS also strives to ensure that Commerce small business contractors are aware of government procurement methods, procedures and requirements to ensure that they can continue to compete effectively in future solicitations. Through these efforts, Commerce is able to continue to have access and use small businesses with which it has established successful contractual relationships, even after the small business exits the preference programs.

Internet Access. From the perspective of small businesses doing, or wishing to do, business with Commerce, access is much more simplified over the current environment. The primary access is via the Internet. Commerce and its subordinate agencies have well-designed and integrated web pages that rapidly lead aspiring small business visitors to planned contracting opportunities. For less sophisticated small businesses, Commerce web pages provide links to web sites that provide information on: how to do business with the federal government; what programs are available; how to prepare effective proposals; and other similar information. As noted earlier, Commerce web pages promote its vendor outreach programs and notify potential contractors not only of upcoming procurements but of opportunities to speak with program staff in each operating unit.

Administrative & Organizational Orders and Policies. The underpinning for all of these activities is provided by Commerce Administrative and Organization Orders, along with a

number of manuals and policy statements that have been revised to reflect the current environment.

IMPLEMENTATION STRATEGY OVERVIEW

Roll Out and Marketing Strategy. The Team envisions the following scenario for implementation of any recommended actions forthcoming from this report:

- The Team presents this report to its sponsors, Bradford Huther, Census Deputy Director and Chief Operating Officer, Scott B. Gudes, Deputy Undersecretary for Oceans and Atmosphere, and Bob Welch, Commerce Procurement Executive and Director for Office of Acquisition Management.

- The sponsors decide whether it's feasible to implement some or all of the recommended action.

- The sponsors present their recommendations to Robert Mallet, Commerce Deputy Secretary, Scott Gould, CFO/Assistant Secretary for Administration, and Linda Bilmes, Deputy Assistant Secretary for Administration.

- Robert Mallet, Scott Gould, and Linda Bilmes assign responsibility for implementation.

- The reengineering Team becomes an Advisory Board during implementation and will continue to provide support, as will the Team's sponsors**.**

Implementation Management and Coordination. Despite its lack of staff resources, OSDBU is the logical choice to oversee the implementation of the recommendations and the coordination of the implementation activity with other efforts and initiatives throughout the Department. To execute the various implementation steps, OSDBU will have to assemble the needed resources from the staff of other operating units within the Department. It may be necessary to establish implementation teams that will further define the details from the "Road Map" presented in Part II, as well as be held accountable for the success of the implementation.

Related Initiatives and Efforts. The implementation of some of the recommendations is related to other independent initiatives being pursued within the Department. Implementation of the following recommendations will be affected by the acquisition and deployment of COTS tools by the independent PTO Procurement Automation effort which plans to award its contract in January 1999. Similarly, the revision of Department Administrative and Organization Orders

(DAOs and DOOs) and various manuals such as the Commerce Acquisition Manual must be coordinated with the efforts of various policy making organizations. Recommendations whose implementation is related to other initiatives are listed in the following table.

RECOMMENDATIONS DEPENDENT UPON INDEPENDENT INITIATIVES	
RECOMMENDATION	**RELATED INITIATIVE**
• Establish and Implement Effective Procurement Planning Requirements and Mechanisms	Procurement Automation effort must be completed before target implementation. An interim implementation, unrelated to Procurement Automation, is proposed, however.
• Implement Automated Procurement Support Tools for Management, Data Collection and Reporting	Procurement Automation provides the bulk of the capabilities required for implementation of this recommendation. Especially important is the replacement of the current CPDS database.
• Establish a Past Performance Database of Small Business Contractors	Procurement Automation effort is expected to correct many deficiencies that exist in the collection of contractor performance information.
• Revise Department Administrative and Organization Orders, Policies and Manuals to Reflect Importance of Socioeconomic Goals	Primary responsibility for making revisions and obtaining necessary approvals resides in other Departmental operating units. The pace of implementation of this recommendation is almost totally dependent upon the commitment of resources assigned to those operating units.

Recommendation for Immediate Implementation. Many recommendations can be pursued immediately, assuming that staff resources are assigned. They include:

RECOMMENDATIONS THAT CAN BE IMPLEMENTED IMMEDIATELY	
RECOMMENDATION	**REQUIREMENT**
• Use Performance Agreements and Other Techniques to Reinforce Commitment to Socioeconomic Goals	Minimal staff resources to draft guidelines, coordinate approvals, and manage operating unit implementation. Note, however, that implementation should coincide with the beginning of the performance rating period.
• Assign Full Time Small Business Specialists in Selected Operating Units	Minimal staff resources to write position descriptions and recruit SBS.
• Promote Small Business Advocacy and Superior Performance through Meaningful Awards to Commerce Employees and Small Businesses	Minimal staff resources to write procedures and establish necessary mechanisms. Note: Outstanding Small Business Award requires Past Performance Database.
• Use Blanket Purchase Agreements (and other such vehicles) to Promote Use of Small Businesses	Minimal staff resources necessary to ensure dissemination of information about such agreements and their availability.
• Implement Redesigned Socioeconomic Goal Setting and Reporting Processes	Existing OSDBU staff resources. Note that implementation should coincide with the beginning of the annual goal setting cycle.
• Redesign and Coordinate Internet Access for Small and Disadvantaged Business	Initial implementation requires little effort. Final implementation requires availability of contractor or other resource to redesign and maintain web pages.

Recommendations that Need Small Business Specialists Prior to Implementation.

Implementation of the following recommendations is largely dependent upon the existence of SBSs assigned to NOAA, Census, NIST and PTO:

RECOMMENDATIONS REQUIRING FULL TIME SMALL BUSINESS SPECIALISTS
• Use Effective Training and Educational Processes to Foster Small Business Use
• Implement Effective Vendor Outreach Programs
• Mentor Small Business to Promote Outstanding Performance and Continued Availability

Implementation Schedule. A summary implementation schedule appears on the following page.

A detailed breakdown of separate implementation activities for each of the recommendations appears in Attachment D. There is some latitude in the implementation schedule, and viable alternatives exist. Ultimately, the implementation schedule will be driven by the availability of staff resources to conduct the implementation, the pattern of rollout, e.g., Department-wide, operating-unit-by-operating-unit, etc., and the complexity of the implementation process and requirements.

A more detailed discussion of implementation considerations is contained in Part II of this report, which address each of the recommended actions individually.

BPR to Enhance Contracting Opportunities for Small Businesses
Summary IMPLEMENTATION SCHEDULE

ID	Task Name	Duration	Start	Finish	1999	2000
					D J F M A M J J A S O N D	J F M A M J J A S O N D J F M A
1	Procurement Planning	561d	1/1/99	2/23/01		
18	Performance/Commitment Agreements	145d	3/19/99	10/7/99		
32	Full Time SBS	175d	1/18/99	9/17/99		
39	Training and Education	125d	1/1/99	6/24/99		
45	Award Program	210d	8/27/99	6/15/00		
75	Multiple Award Contracts, GWACS, BPAs, etc.	0.2w	1/1/99	1/1/99		
76	Automated Procurement Support	300d	1/31/99	3/24/00		
96	Vendor Outreach (First Session)	511d	3/11/99	2/23/01		
109	Socioeconomic Goal Setting	112d	1/11/99	6/15/99		
117	Internet Access - Interim	50d	1/1/99	3/11/99		
120	Internet Access - Full Implementation	596d	1/1/99	4/13/01		
134	Past Performance Database	110d	1/31/99	7/2/99		
143	Mentor Small Business Contractors	430d	12/4/98	7/27/00		
166	DAO, Manual Revisions	440d	1/1/99	9/7/00		

BUSINESS PROCESS REENGINEERING

FOR

ENHANCING CONTRACTING OPPORTUNITIES FOR SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED BUSINESSES

PART II: RECOMMENDED ACTIONS

PART II: RECOMMENDED ACTIONS

A.   PROCUREMENT PLANNING

Procurement Planning Requirements and Mechanisms

Current Environment

Perhaps the most significant problem associated with promoting the use of small businesses throughout the Department of Commerce is with the absence of standardized requirements for planning procurements, standardized requirements for routinely updating procurement plans, and disseminating those plans to persons responsible for advocating the use of small businesses. Indeed, the absence of procurement planning information compromises the ability of procurement offices in all Commerce organizations to be responsive to the needs of program staff.

Procurement planning requirements vary widely among PTO, NOAA, and Census. PTO appears to have the most evolved and effective planning requirements. PTO prepares procurement plans containing relatively detailed information for the current fiscal year routinely as part of the budget execution process. Procurement requests are routed through the Office of Budget for review and returned to the requestor if they do not appear in the procurement plan. If they appear in the procurement plan, requests are forwarded to the contracting officer where the procurement activity is initiated.

While NOAA requires the preparation of procurement plans, compliance is uneven and not enforced. As a result, required procurement plans are sometimes omitted altogether; some are not regularly updated, and many lack adequate detail so that they are not particularly useful or accurate.

Census appears to have no mechanism for collecting procurement planning information comparable to those mechanisms enforced by the PTO and inconsistently used at NOAA.

Program managers also suffer from the absence of an effective planning mechanism. Too frequently they do not plan procurements sufficiently in advance to accommodate an achievable procurement schedule. In addition, they frequently fail to consider small businesses as service or product providers. By not initiating the procurement process in a timely fashion, the acquisition must necessarily be rushed, raising the likelihood that requirements and specifications may be inadequately formulated. Critical documentation may undergo insufficient review, and evaluation criteria and factors may not result in identifying the most desirable proposal — cost and other factors considered. Another result of the failure to initiate a procurement action in a timely fashion is that a program manager often decides to pursue one of several available accelerated or simplified acquisition processes, thereby potentially excluding the most qualified providers of the desired goods or services from consideration.

An additional weakness is that OSDBU is not routinely made aware of procurement planning documents that do exist, even those at PTO which may provide substantial insight into small business contracting opportunities. Invariably, OSDBU becomes aware of procurements relatively late in the acquisition process and only then is able to encourage or mandate the use of qualified small business contractors. In such cases, OSDBU's actions — usually occurring relatively late in the acquisition process — cast OSDBU as a time consuming obstacle in the eyes of program staff. The program staff's procurement, vital to the success of their program, is delayed (unreasonably in their eyes) by the organization charged with responsibility for advocating small businesses.

Even at PTO, procurement offices do not capitalize upon the information provided by program staff regarding their procurement plans. Information is not consolidated into a database where it can be manipulated and analyzed to meet the planning needs and provide procurement staff with valuable insights they might derive were the information available in a more usable form.

Analysis

The need for a well designed and implemented procurement planning discipline throughout Commerce seems unarguable. The principle obstacle to implementation is that it adds to the workload of program staff who are likely to view any additional planning requirements as simply another administrative burden that provides no benefit. Any solution to this dilemma must incorporate features that are viewed positively by program staff because they perceive a clear

benefit. The solution should offer program staff clear advantages by providing them with enhanced capabilities, streamlined mechanisms for acquiring goods and services, or otherwise simplify the procurement process so that it is less troublesome and more responsive to a goal-oriented program manager. The proposed solution is designed to provide those benefits.

To be most effective, the procurement planning capability must be closely linked to the budget formulation and execution processes, which are, in the final analysis, planning activities. Operating plans are, for purposes of financial management and control, the most accurate representation of the way a program will be executed. Other planning activities like strategic plans are insufficiently detailed and, therefore, do not meet the needs for procurement planning. Accordingly, the proposal calls for preparing procurement plans as an integral part of budget formulation and execution.

For socioeconomic goal attainment to become a vital component of the acquisition process, small business advocacy must be an element in every part of procurement planning. The most effective way to accomplish this is to design a procurement planning process that compels program staff to consider using small businesses at every planning juncture. The proposed approach reinforces such consideration and alerts small business specialists to upcoming acquisitions that may be appropriate for small businesses, thereby providing them with a timely opportunity to serve as effective advocates.

In the end, the success of procurement planning will be determined by the willingness of program staff to adhere conscientiously to the procurement planning requirements. To obtain their support, the planning process must offer clear advantages and represent an improvement over the current environment. Moreover, compliance with procurement planning procedures must be mandated by administrative and other directives.

To-Be Environment

Scope. The preparation and maintenance of procurement plans is limited to those acquisitions for goods or services exceeding $100,000. Acquisitions for goods or services for amounts between $2,500 and $100,000 are statutorily reserved for small businesses already.

Process Overview. Procurement planning begins and ends with the program manager. In the recommended environment, the program manager, procurement staff and small business

advocates will be assisted by a Procurement Ordering System (POS). POS is an automated tool closely linked to budget and operating plans. It provides a variety of services and enables program managers to plan procurements in an orderly fashion while ensuring that small businesses are given fair consideration. POS focuses on an eighteen month (six quarter) window of procurement activity. Typical scenarios involving POS include the following:

Program Manager Scenario

> POS alerts the program manager, via e-mail or other suitable notification mechanism, that detailed plans are required for a procurement scheduled to be completed in eighteen months. If the manager does not respond to the alert, it will be repeated each week. POS contains template schedules for various types of procurements, and as the possibilities decrease with the lapse of time, the system notifies the program manager of the diminishing list of acquisition options.

> When the program manager responds to the notice, the POS walks him/her through an interactive process that begins to define the procurement. Through prompted dialog, POS collects certain basic information: procurement name and a brief description, type of service or goods being acquired, operating or budget plan identifier, estimated dollar value, proposed award date, names and telephone numbers of program staff responsible for the acquisition, award value, duration of contract, etc.

> Once the basic information has been entered, POS leads the program manager through an analysis of procurement alternatives available to satisfy the need, including the use of small businesses or BPAs or other multiple award mechanisms (see Section F) providing access to small businesses. Given the procurement methodology (e.g., regular full and open competition, CONOPS-style competition, use of a BPA, set-aside, etc.), POS establishes a provisional schedule of activities indicating the beginning and ending dates for each. To assist program staff who may be unfamiliar with procurement processes, POS provides extensive on-line help, possibly including the use of intelligent "wizards." The program manager also estimates the spending profile for the contract, indicating the amounts to be obligated for each quarter of the contract's life. When the session is complete, POS checks to verify that all mandatory information has been supplied and that no logical inconsistencies exist. The system then provides the program manager with a printout of all the information entered, together with a schedule of actions and action items.

If there is insufficient time for the selected type of procurement to be completed by the proposed contract type and award date, the POS advises the program manager to select an alternate procurement method that can be completed within schedule or to contact a procurement specialist to explore alternatives for meeting the acquisition objectives.

As scheduled start dates approach, the POS notifies the program manager of the actions that should be initiated to avoid jeopardizing the schedule. Managers also certify the completion of activities to maintain continuing assurance that the procurement schedule can be met. POS continues to support the program manager throughout the procurement and produces required documentation such as a purchase request at the appropriate times.

At the end of each quarter, POS notifies the program manager of planned procurement award dates that have now entered the eighteen month planning window. As appropriate, program managers can then initiate the detailed procurement planning necessary to ensure that contracts are awarded on time.

Small Business Specialist Scenario

As soon as program staff enter sufficient information into POS, the system notifies the operating unit's Small Business Specialist (SBS) who can review the planned procurement. Depending upon the nature of the procurement, the SBS may elect to meet with the program manager to discuss ways to include small businesses and the importance of meeting socioeconomic goals. Such discussions may result in the restructuring of the procurement, the inclusion of requirements for small business subcontracting, or the selection of an accelerated procurement method that may be used to obtain the services of a small business.

Budget Analyst Scenario

Budget clearance is a critical element of POS. The organization's operating plan must reflect any proposed procurement; otherwise, the procurement action is suspended until the operating plan is updated. Before any procurement activity takes place, POS alerts the budget analyst of the proposed procurement and requires approval.

Since POS carries the estimated funding profile for the awarded contract, the budget analyst can verify that current funding apportionment levels are adequate.

Procurement Manager Scenario

POS provides procurement managers with a picture of the next eighteen months of planned procurements. Procurement management staff can use this information to allocate work to contract specialists, assess the adequacy of available resources over time, and to take appropriate action to meet acquisition workloads.

POS provides a variety of reports for procurement managers. In addition to resource loading reports, POS uses the schedule information to identify critical upcoming actions or actions that have not been completed on schedule.

Contract Specialist Scenario

POS provides contract specialists with an overview of his or her workload, upcoming events, etc., once responsibility for a procurement has been assigned. As appropriate, the contract specialist may meet with the program manager to discuss the contract, supplement the information from POS, or adjust the schedule. As for the procurement manager, POS identifies critical upcoming actions or actions that are behind schedule for appropriate action.

The contract specialist (perhaps with the approval of the contracting officer) is the only individual allowed to modify the procurement schedules from POS.

Longer Range Planning

Procurement planning begins with the formulation of an organization or program budget. Though budgetary planning covers a span of five years, it is often difficult for most managers to foresee procurements accurately in the distant future. Consequently, managers are asked to identify as precisely as possible the anticipated contract awards that will occur during each quarter of the first full year (base year) of the budget submission. During the budget formulation process, the procurement plan is updated with each cycle (Secretarial Submission, OMB Submission, Congressional Submission, Enacted Budget). Linkage exists between the budget formulation process and POS to ensure that the two are consistent.

Roles and Responsibilities. The following table provides an overview of the roles and responsibilities of the individuals who participate in the procurement planning process.

ROLES AND RESPONSIBILITIES: PROCUREMENT PLANNING	
Participant	**Roles and Responsibilities**
Program Manager	• Develops long and short range procurement plans based on budget formulations and operating plans. • Enters detailed procurement information into POS. Uses POS to explore alternative procurement strategies. • Takes actions necessary to ensure that procurement activities are performed and milestones are achieved. • Monitors procurement status against schedule and initiates corrective action, e.g., restructuring the procurement, re-planning the procurement, etc. • Updates procurement plans quarterly to reflect plans for the next eighteen months. • Develops and updates operating plans.
Small Business Specialist	• Monitors and reviews detailed procurement plans to identify small business opportunities. • Promotes use of small businesses by working with program staff to identify small business sources for desired services or establishing small business subcontracting goals.
Budget Analyst	• Verifies that planned procurement is reflected in operating plan. • Approves proposed procurements for processing by the contract staff. • Monitors planned contract obligations to ensure that budget apportionment is appropriate.
Contracting Officer	• Reviews procurement plans to anticipate workload; makes adjustments as appropriate. • Authorizes departure from suggested procurement schedules. • Monitors procurement plan status against schedule and initiates corrective action.
Contract Specialist	• Reviews and monitors procurement plans to plan own work. • Monitors procurement plan status against schedule and initiates corrective action. • Assists program staff in selecting contracting methods; explains contracting alternatives; provides expert advice on procurement matters.

Implementation

Implementation of a procurement planning methodology and practice is important to many of the following recommendations. Its availability is critical if Small Business Specialists are to be as effective as possible in their roles of small business promotion and advocacy (see Section C). Planned procurement information is vital to the success of the Internet enhancements proposed in Section J, the vendor outreach programs (see Section H), and for making program and contract staff aware of the existence of multiple award contracting vehicles that may be available to them (see Section F).

Optimally, the procurement planning mechanism will be integrated with the set of automated procurement tools available to Department operating units, e.g., CAMS, Procurement desktop at the PTO, the COTS tools acquired through the current procurement automation effort (see Section G), etc. Of these, integration with the automated tools being acquired under the PAT effort is likely to be the simplest and least expensive means for achieving full deployment of an automated procurement planning mechanism.

While a complete implementation of an integrated procurement planning capability is the ultimate objective, the basic capabilities may be implemented easily. As the contracting officer of the Census Bureau noted, a basic capability could be implemented "...using little more than a spreadsheet."

The implementation team ultimately charged with responsibility in this area should carefully consider the roll out of procurement planning capabilities that range from the primitive and basic to the ultimate described in the preceding section. Likewise, it should thoughtfully consider the order in which the procurement planning implementations are introduced to operating units.

One of many possible implementation strategies encompassing both an initial basic capability as well as a target capability fully integrated with APC is given in the following table.

Activity	Duration	Start	End
Summary: Procurement Planning	**112.2wks**	**1/1/99**	**2/23/01**
Summary: Implement Interim Planning System	**87wks**	**1/1/99**	**8/31/00**
Design Capability	4wks	1/1/99	1/28/99
Develop SW	16wks	1/29/99	5/20/99
Document Procedures	16wks	2/19/99	6/10/99
Implement: Census, NOAA, NIST	12wks	6/11/99	9/2/99
Initial Implementation Complete	0wks	9/2/99	9/2/99
Enhance Basic Capabilities	52wks	9/3/99	8/31/00
Summary: Implement Target Planning System	**108wks**	**1/31/99**	**2/23/01**
Award Procurement Automation	0wks	1/31/99	1/31/99
Implement Basic APC Capabilities	52wks	2/1/99	1/28/00
Define Target Planning Requirements	8wks	1/31/00	3/24/00
Preliminary/Detailed Design	16wks	3/27/00	7/14/00
Code/Unit Test	16wks	7/17/00	11/3/00
Integration Testing	4wks	11/6/00	12/1/00
Roll Out: First Operating Unit	4wks	12/4/00	12/29/00
Roll Out: Remaining Operating Units	8wks	1/1/01	2/23/01

Risk Assessment

Risk Factor	Risk	
	Interim	**Target**
Technical	Low	Medium
Schedule	Medium	Medium
Cost	Low	Medium
Cultural: Effective implementation will require the development of a planning culture and discipline that doesn't exist in most operating units. Cultural changes can be forbiddingly difficult to implement.	High	High

Risk Mitigation. Though a Department Administrative Order mandates requirements for procurement planning, most operating units appear to be non-compliant. To implement a procurement planning system will not, in and of itself, ensure success. The implementation of a procurement planning *discipline* is likely to be considerably more difficult; yet, this must be accomplished if the full benefits expected are to be achieved.

Revision and re-issuance of administrative orders in operating units will raise employee consciousness to the importance of procurement planning. The implementation of automated and other tools will make planning simpler. Yet, the most important factor will be the uniformity of implementation and enforcement of requirement planning.

The proposed system requires that a procurement request not be processed unless it appears in an organization's procurement plan, as maintained by the budget organization. When requests arrive that do not appear in the procurement plan, they must be returned to the originator, and appropriate adjustments to the plan must be made. Whenever these rules and procedures are relaxed or suspended because of transient "emergencies," the planning discipline weakens. Procurement organizations are customer oriented and desire to meet customers' needs. It is unrealistic to expect them to enforce procurement planning discipline when those customers are faced with emergencies. It is also unrealistic to expect them to monitor the maintenance of the 18 month procurement planning window.

The team recognizes that emergencies do arise, and occasionally there is a legitimate need to expedite a procurement. Such conditions must be addressed in the implementation of a procurement planning discipline.

One technique for mitigating this risk is to require the CFO of the operating unit to authorize any waiver of procurement planning requirements in unusual situations. Likewise, the CFO must enforce requirements to update the 18 month procurement planning window each quarter. Organizations that fail to do so should be held accountable.

Cost

The initial implementation of a procurement planning process should use existing software tools available to the operating unit. It will require the use of in-house staff to design and integrate the various applications.

The ultimate implementation should occur using the automated procurement support tools available to the operating unit, either those acquired under the PAT/ACP initiative or otherwise implemented (e.g., CAMS or the customized tools developed by the PTO).

Implementation cost will depend upon the complexity of integrating the desired procurement planning capabilities with the operating unit's toolset.

B.   PERFORMANCE PLANS

Utilize Performance Plans and Other Techniques to Reinforce Commitment to Socioeconomic Goals

Current Environment

Commerce does not consistently include an element in employees' performance plans that addresses socioeconomic contracting goals. For the most part, such individual performance elements exist only in performance plans for personnel assigned to OSDBU and MBDA.

In selected areas such as EEO and affirmative action, performance plan elements are routinely used to emphasize the importance of aspects of an employee's job that are not directly related to immediate program objectives. Inclusion of such elements in an employee's performance plan is intended to raise the employee's awareness of the importance of the non-programmatic evaluation factors, and they prompt the employee to take appropriate actions in association with the pursuit of program objectives.

Typically, when performance elements appear in plans of senior executives, managers, and supervisors, those elements flow downward to become part of the plans of employees under that individual's direct supervision. Thus, all employees become involved in implementing that element.

Though the Secretary of Commerce announces socioeconomic goals, no coordinated effort exists to further emphasize the Commerces goals in this area. Other organizations have found value in the use of letters of commitment from senior staff promoting the consideration and use of small businesses.

Analysis

Performance Plans. The reengineering team finds little substantive reason or incentive for program or procurement staff to pursue the use of small businesses or to have a vested interest in Commerce socioeconomic goals. Though existing regulations and policies explicitly require consideration of small businesses, they are frequently circumvented or ignored. Similarly, even though a program manager may have a general awareness of socioeconomic contracting goals,

active consideration of small business utilization is more often than not sacrificed to other program related considerations.

The Team concludes that an effective mechanism for encouraging procurement staff and program managers to consider utilizing small businesses is to incorporate appropriate provisions into individual performance plans for all employees who initiate, support, or provide management direction to acquisition activities. By doing so, success in reaching the operating unit's socioeconomic goals becomes a factor in the performance evaluation of those employees.

In addition, inclusion of an appropriate element in the performance plans of program staff who initiate procurement actions and make pivotal decisions about potential contractors is especially critical. While program staff offer the earliest and best opportunities for small business consideration, a program manager also poses the biggest obstacle for promoting the use of small businesses. A socioeconomic performance element will contribute to a continuing awareness of the Commerce's socioeconomic programs and goals.

Language in the performance plans of program managers who participate in the acquisition process must be carefully drafted. The desired result is to require the program manager to "fairly consider" using small businesses in support of Commerce socioeconomic goals. Once fair consideration has been given, the program manager may select a prudent, sensible and justifiable course of procurement action consistent with socioeconomic goals and program needs. The requirement of the performance element is <u>not</u> to compel or encourage the program manager to make decisions not in the best interests of achieving program objectives but to emphasize the importance of socioeconomic goals and elicit support.

Wording of performance elements for procurement staff who provide authoritative day-to-day guidance to program managers requires similar caution. Contracting Officers (COs), Heads of Contracting Offices (HCOs) and contract specialists should — through their performance plans — be encouraged to promote using small businesses for goods and services. Procurement staff should make program managers aware of socioeconomic goals and of contracting mechanisms available to acquire small business goods and services. Procurement staff are service personnel whose role is to support program managers by providing options, along with their merits and liabilities. Their role should not be to promote using small businesses to the exclusion of preferable sources of goods and services. In short, procurement staff should provide program staff with expert procurement counsel and within the context of Commerce socioeconomic goals.

The Team believes that performance criteria established for program staff and contract specialists need not be linked to performance in terms of specific socioeconomic goals established by Commerce and somehow translated into individual goals. Rather, evaluation of performance should be based on evidence of a fair assessment of available contracting solutions within the context of Commerce socioeconomic goals. For example, evidence includes honest consideration of small business to satisfy requirements for all contracts as well as effectively promoting small business participation when consistent with program goals.

Finally, the Team acknowledges that the prominence of each element diminishes as additional administrative elements are added to employee performance plans. Whether the effectiveness will be diluted because it is only one of many non-programmatic elements must be evaluated.

Including a socioeconomic element in the performance plans of Commerce staff who participate in contracting processes has implications beyond assessing individual performance. Should mechanisms become available, a summary of employee ratings could be used by OSDBU to identify operating units which have successfully institutionalized the pursuit of socioeconomic goals by incorporating them into performance plans. This offers an opportunity to identify successful approaches to encourage superior performance.

Commitment Letters and Bulletins. Letters emphasizing the commitment of department and operating unit senior managers to socioeconomic goals can be of value. Such documents do not constitute policy or directives but serve as an advertising campaign to increase employees awareness of the program. Though the positive effect of expressions of commitment is likely to be unquantifiable, the effort required to prepare and disseminate them is modest. Commitment letters and similar documents represent an inexpensive mechanism for promoting small business utilization and the explicit support of socioeconomic goals by Commerce and operating unit executives.

OSDBU issues a report to Commerce operating units semi-annually summarizing progress made by each toward the established goals. Though the information contained in the interim report may not be complete or meaningful to some, there is interest on the part of operating unit management on their performance in comparison to other operating units.

To-Be Environment

Performance Plans. The Team suggests the inclusion of a socioeconomic goal related element in the performance plans of all employees who participate in initiating, conducting, supporting and/or managing of acquisitions. For optimum impact, performance elements, appropriately tailored to the employee's position, should be included in performance plans for the following personnel:

- Operating Unit Heads and Executive Staff (e.g., Chief Financial Officer, Chief Operating Officer, etc.). These individuals have broad, though indirect, responsibility and authority for promoting socioeconomic goals and encouraging the consideration of small business utilization to achieve Commerce goals.

- Procurement Staff (COs, HCOs, Contract Specialists). Procurement staffs constitute service organizations supporting program staff. They have a responsibility for promoting and encouraging the use of small businesses when consistent with the needs of their clients and the client's program objectives and requirements.

- Program Managers (COTRs, program procurement managers, etc.). As program representatives in the contracting process, these personnel ultimately have the greatest direct responsibility and authority for achieving socioeconomic goals. As they define procurement strategies, they need to understand their role to fairly evaluate the potential for including small businesses to satisfy program objectives.

Not every program staff member whose performance plan contains a socioeconomic element will participate in a procurement during a rating period, so there will be no basis for assigning a rating. In such instances, the element should be eliminated.

At this time, the Team makes no specific recommendation regarding the weight to be assigned to the socioeconomic performance element. The ultimate weight should be determined on a position-by-position basis within each operating unit. The element should be "critical" to emphasize its importance, even if it has little weight in comparison with other elements of the employee's plan.

Commitment Letters and Bulletins. The Team recommends that letters of commitment to Commerce socioeconomic goals be prepared for the signature of various individuals from the Secretary of Commerce to operating unit heads. Letters should be issued by different individuals throughout the fiscal year to reflect continuing support of Commerce executives; to remind program and procurement staff of program goals; and to show progress to date. OSDBU will prepare the letters for signature, incorporating in them relevant information obtained from the procurement planning system (see Section A), the current year's goals (see Section I), and progress to-date against those goals (see Section G). The value of interim reports is that they are based on information extracted from procurement plans, so they reflect progress toward achieving goals and project end-of-the-year results.

Letters of commitment can also provide an opportunity to publicize Commerce programs for outreach to small businesses (see Section H).   They remind program and procurement staffs of new and existing ways of acquiring small business services (see Sections F and K), and they provide a medium for publicizing small business successes and Commerce internal awards for employee contributions to socioeconomic goals (see Section E).

One possible schedule for the issuance of commitment letters and other bulletins appears in the following table. Examples of commitment letters are provided in Attachment C.

TIMETABLE FOR COMMITMENT LETTERS AND OTHER DOCUMENTS		
Date	**Issued by**	**Theme/Content**
July	Secretary or Deputy Secretary	• Request for Input to Goal Setting process (Next FY)
September	Secretary or Deputy Secretary	• Publication of Next Fiscal Year Socioeconomic Goals
October	Commerce Chief Procurement Executive	• Commitment Statement • Identification of Sources for Small Business Services • Overview of SB Programs
December	Director, OSDBU	• Commitment Statement • Profile of Vendor Outreach Programs, Schedules • Report on Prior Year Goals and Achievements
February	Secretary or Deputy Secretary	• Commitment Statement • Publication of Outstanding Small Business Awards • Publication of Operating Unit Awards for Outstanding SB Program

TIMETABLE FOR COMMITMENT LETTERS AND OTHER DOCUMENTS		
Date	**Issued by**	**Theme/Content**
April	Director, OSDBU	• Commitment Statement • Mid-Year Report on SB Goals and Status
June	Operating Unit Head	• Commitment Statement • Publication of Commerce Employee Awards for Small Business Promotion
July	Commerce Chief Procurement Executive	• Commitment Statement • SB Goal Status Report • Reminder of SB Opportunities for End-of-Year Procurements

Implementation

The Team suggests implementation of the performance plan portion of the recommendation be scheduled for completion by the start of the regular employee evaluation period at the beginning of fiscal year 2000.

Implementation of the commitment letter portion of the recommendation is partially linked to establishing the award program (see Section E), since commitment letters will be used to announce various Secretarial awards.

IMPLEMENTATION SCHEDULE FOR PERFORMANCE PLANS & COMMITMENT LETTERS			
Activity	**Duration**	**Start**	**End**
Summary: Performance Plans	**29wks**	**3/19/99**	**10/7/99**
Assemble Implementation Team	4wks	3/19/99	4/15/99
Draft Guidelines and Elements	6wks	4/16/99	5/27/99
Obtain Comments	4wks	5/28/99	7/8/99
Revise/Finalize Guidelines and Elements	4wks	7/9/99	8/19/99
Implement for Executives	2wks	8/20/99	9/2/99
Develop Operating Unit Implementation Plan	4wks	7/23/99	9/2/99
Implement for Staff	4wks	9/3/99	9/30/99
Coordinate with HR	29wks	3/19/99	10/7/99
Summary: Commitment Letters	**12wks**	**4/9/99**	**7/1/99**
Finalize Procedures	12wks	4/9/99	7/1/99
Finalize Content	12wks	4/9/99	7/1/99
Issue First Commitment Letter (Request for Input to Goal Setting Process, FY 2000)	0wks	7/1/99	7/1/99

Risk Assessment

The following table describes technical, staffing, schedule, funding, and labor relations risk.

RISK ASSESSMENT		
Risk Area		**Risk Level**
Technical		**None**
Staff Availability:	Requires OSDBU staff to develop guidelines and elements; HR personnel to provide assistance and guidance; may require discussions with bargaining units. Operating unit personnel required to develop individual performance plan language, etc.	Low
Schedule:	May be difficult to roll out to all personnel in all operating units at the same time. Negotiations with bargaining units may present schedule threat.	Medium
Funding		None
Labor Relations:	May require negotiations**.**	Medium

Cost

The Team assumes that existing staff can absorb the workload associated with the implementation of this recommendation.

Estimated Cost: Zero

C. SMALL BUSINESS SPECIALISTS

Assign Full Time Small Business Specialists in Selected Operating Units

Current Environment

In Commerce, the only full-time staff assigned and dedicated to the promotion of small business interests and programs exist in the OSDBU Office. In the larger operating units (Census, NIST, NOAA, and PTO), small business advocacy is performed on a part time basis by a designated Small Business Specialist (SBS) who reports to the operating unit's Head Contracting Officer (HCO) or a comparable supervisor. Likewise, procurement staff in the field offices of Census and NOAA discharge their duties on a part time basis and report to a local contracting officer.

As a result, virtually all other procurement activities take precedence over small business advocacy. If a situation arises where the objectives of the program manager or contracting officer conflict with the consideration of small business capabilities and interests, often the outcome is that the interests of small businesses are sacrificed to the desires of the program manager or the SBS' supervisor.

Analysis

Benefit of Full Time Small Business Specialist. The Team concludes that a full time SBS, with no duties and responsibilities other than the small business program, will provide for more consistent advocacy of small business interests. By definition, a full time SBS will not be involved in day-to-day contracting activities and, therefore, will not be presented with the conflicting priorities that are characteristic of today's part time SBS. A full time SBS will be free to devote all of his or her time and energies to promoting the use of small businesses and reminding program and procurement staff of their responsibilities to consider small business as sources of goods and services.

The need for full time small business specialists becomes even more critical if several of the Team's recommendations, e.g., Training and Education (see Section D), Vendor Outreach Programs (see Section H), and Small Business Mentoring (see Section L) are implemented. Implementation of these recommendations will add significantly to the current workload of the SBS. Thus, a part time SBS could not adequately perform all of the small business advocacy responsibilities.

Similarly, with the implementation of procurement planning disciplines (see Section A) and automated procurement data collection and reporting tools (see Section G), the SBS will be involved more frequently and for longer periods of time during the formative stages of procurement actions in order to ensure proper advocacy of small businesses.

Operating Unit Assignments of Small Business Specialists. The Team concludes that a single full-time SBSs need only be assigned to four operating units: Census, NOAA, NIST and PTO. These operating units generate the volume of contracts that would justify a full time SBS. Other operating units and field offices will not require a full time SBS.

The Team considered the possibility of two or more operating units sharing the same SBS but concluded that such an approach is unlikely to be unsuccessful. The principal operating units requiring the most concentrated attention are geographically separated and programmatically diverse. To be most effective, an SBS should have a reasonably comprehensive awareness and understanding of the programs and personalities. Also, the day-to-day presence of an SBS is necessary if the agency's procurement activities are to be effectively monitored. Neither of these conditions is likely to be achieved if the SBS must divide his or her time between operating units.

Smaller operating units that process their own procurements and comparable field offices such as the administrative services centers of NOAA and the Census processing center in Jeffersonville, Indiana, should maintain a local advocate for small businesses. Yet, despite the obvious advantages, the Team does not believe that there is sufficient work in the field offices to require a full time SBS. The Team recommends that the current structure of part time SBS be maintained until there is a persuasive reason that a full time SBS in these locations would better serve the department in its pursuit of socioeconomic goals.

Management of Small Business Specialists. The Team evaluated alternative organizational structures for the management of a full time SBS in an operating unit. An important consideration in the selection of the organizational structure was the issue of ensuring the independence of the SBS. Another consideration was an atmosphere free from pressures and considerations associated with agency programmatic goals and strategies. The Team considered three potential management structures:

- The SBS could report to the HCO of the operating unit, but this structure seems inappropriate. In this instance, the SBS' performance would be evaluated by an

individual whose priorities can be expected to lie with program staff goals and objectives rather than with achieving small business socioeconomic goals. Moreover, there would be a temptation to assign the SBS to work on other projects and programs. The Team concludes that while this may be a workable structure, it raises an unacceptable likelihood of conflict of interest for the SBS and the potential for blurring the SBS' role and responsibilities.

- The SBS reports to the CFO or other executive within the operating unit. Such a reporting structure removes most of the problems associated with the conflict between small business goals and operating unit program goals. The primary deficiency rests with the improbability that the CFO will have enough time or interest in supervising or providing necessary guidance and information to the SBS. A CFO or his or her peer has a substantial range of responsibilities which are likely to take precedence over small business objectives. Again, the Team concludes that while workable, this approach is not an optimal solution.

- The SBS reports to the Director of OSDBU. This management structure firmly establishes the SBS as a fully independent small business advocate whose advocacy cannot be compromised by operating unit program objectives. The SBS' performance is evaluated in terms of OSDBU programs and objectives. The primary drawback is associated with the geographic separation of the full time SBS from OSDBU, making it impossible for the Director of OSDBU to monitor employee performance on a day-to-day basis.

Despite the drawback associated with the third approach, the Team concludes that it is the organizational structure most likely to result in effective representation of small business in the operating unit. The Team also considered alternative organization structures for part time SBS in the smaller operating units and in field offices. It concluded that the current structure whereby the part time SBS reports to a senior procurement official remains the most practical approach. It does not recommend any modification of the current structure.

To-Be Environment

Full time Small Business Specialists are assigned to Census, NIST, NOAA and PTO. Though they are completely responsible to the Director of OSDBU, they work alongside operating unit procurement staff. Through access to the information contained in the operating unit's procurement planning system (see Section A), the SBS becomes aware of planned procurements that may be suitable for small business involvement as prime or subcontractors. The SBS then works closely with program and procurement staff from the initiation of a procurement action to see that small business opportunities are properly maximized.

The full time SBS serves as a liaison for coordination and communication between OSDBU and the operating unit. As OSDBU's on-site representative, the SBS works with operating unit personnel in outreach programs that alert small businesses to upcoming requirements (see Section H) and coordinates operating unit employee training in socioeconomic goals and small business. (see Section D).

The SBS also maintains regular contact with part time SBS assigned to operating unit field offices, providing assistance and guidance to these personnel.

Because of his or her proximity to the operating unit, the SBS is in a unique position to assist in the nomination of small businesses and government employees for small business awards (see Section E).

The SBS confers frequently with senior OSDBU staff, who are able to provide guidance, direction and information on the evolution of the department's socioeconomic program objectives and strategies.

ROLES AND RESPONSIBILITIES: FULL TIME SMALL BUSINESS SPECIALISTS	
Participant	**Roles and Responsibilities**
Director, OSDBU	• Recruit Full Time Small Business Specialists and assign to operating units. • Ensure SBS are provided with training. • Develop performance plans for full and part time SBS staff. • Manage and supervise full time SBS staff members.
Head Contracting Officers and Contracting Officers	• Ensure SBS staff is provided access to information about planned procurements as soon as it becomes available. • Support SBS staff.
Small Business Specialists (Full Time)	• As OSDBU representatives, serve as small business advocates throughout the procurement process. • Reports to the Director, OSDBU. • Ensure operating unit staff is kept abreast of socioeconomic policies, objectives and is provided appropriate training. • Identify organization unit employees who contributed to socioeconomic programs and goals and encourage their nomination for recognition. • Provide advice and counseling to part time SBS staff.
Small Business Specialist (Part Time)	• Represents small business interests as an advocate in departmental field offices and other organizations lacking a full time SBS. • Reports to a local HCO or Contracting Officer. • Ensure operating unit staff is kept abreast of socioeconomic policies, objectives and receives appropriate training. • Identify organization unit employees who contributed to socioeconomic programs and goals and encourage their nomination for recognition.

Activity	Duration	Start	End
Summary: Full Time SBS	**35wks**	**1/18/99**	**9/17/99**
Classify and Grade SBS Positions	9wks	1/18/99	3/19/99
Orient HCO's, et. al.	9wks	1/18/99	3/19/99
Advertise Positions	9wks	3/22/99	5/21/99
Select SBS	9wks	5/24/99	7/23/99
Full Time SBS On Board	4wks	7/26/99	8/20/99
Train SBS	4wks	8/23/99	9/17/99

Risk Assessment

Risk Area		Risk Level
Technical		None
Staff:	Requires OSDBU staff to be increased by 4 FTE employees	Medium
Schedule:	Proposed schedule will result in placement of trained full time SBS staff by the beginning of FY2000.	Low
Funding:	Requires permanent funding for four FTP staff.	Medium

Cost

Salary costs are based on an assumed level of GS-12/1 for the full time SBS. Each new SBS will require initial training at an estimated cost of $1,500.

Salary: $263,248 (includes benefits)

Training: $ 6,000

Total   **$269,248**

D.   TRAINING

Use Effective Training and Educational Processes to Foster Small Business Use

Current Environment

Procurement training is presently provided for procurement personnel, technical (staff) personnel, Small Business Specialists and OSDBU staff. Content of training courses offered to these Commerce employees does not — with the exception of Small Business Specialists and OSDBU staff — place particular emphasis upon the significance of departmental socioeconomic goals or the mechanisms available to place contracts with small businesses.

Analysis

The ultimate goal is to provide appropriate training to all personnel who are or may become involved in acquisition processes to ensure that they understand Departmental policies and their role in helping the Department meet its small business socioeconomic goals.

The content of several existing training courses fails to address socioeconomic goals and the importance of utilizing small business sources:

- Contracting Officer's Technical Representative (COTR) training is offered by the Department and most of its primary operating units on a continuing basis. COTRs also attend refresher training periodically. The COTR training curriculum should be expanded as follows:

    (a)   to address the department's socioeconomic goals and programs along with the role of the COTR in pursuing them;

    (b)   to review current Department policies related to contracting preferences for small businesses (e.g., that procurements under $100,000 are to be automatically awarded to small businesses); and

    (c)   to identify the programs and mechanisms the department has or is implementing that are intended to provide COTRs with ready access to qualified, responsive small businesses. (see Sections A, F, H, J, and K).

- Bank Card Holder training is also offered on a continuing basis to individuals who have or are being issued government charge cards.   In this case, the training curriculum should be expanded to encourage individuals to first consider purchasing from small businesses and how to identify small businesses when making bank card purchases.

- The annual IT/Procurement Conference provides a forum for seminars and sessions that specifically address the interests and concerns of the department's IT community. This conference provides a unique opportunity to reemphasize the importance of socioeconomic programs and the mechanisms that the Department and OSDBU have in place to facilitate identifying qualified small businesses that provide IT services.

To-Be Environment

In the to-be environment, training courses related to procurement include an appropriate level and quantity of material to familiarize participants with the Department's socioeconomic programs and goals. They also include information on tools and mechanisms available to identify and make contract awards to small businesses.

In addition, OSDBU coordinates the development of a training curricula which focuses on using small businesses and the relationship to meeting socioeconomic goals of the Department. Either OSDBU or the contractor presents the training sessions, which are approximately two hours long. Courses are free to operating units who only need to provide classroom space.

Training courses will also be established for Small Business Specialists. The U. S. Air Force has excellent course materials for its small business specialists. OSDBU can probably use the Air Force materials and perhaps their contractor for the training in the Washington metropolitan area.

OSDBU provides contracting offices in all operating units with informational packets of materials explaining the Department's small business goals and the role of procurement managers and staff to fairly consider the use of small businesses. The packets also include information for procurement mangers explaining how to identify qualified small business through the local SBS (see Section B), past performance database information (see Section K), and outreach programs (see Section H).

Notices and memoranda issued periodically by various senior Commerce officials (see Sections I and E) reinforce the small business training by making employees aware of the cycles associated with establishing small business goals, procurement planning, awards, and the like.

TRAINING ROLES AND RESPONSIBILITIES	
Participant	**Roles and Responsibility**
Program Managers	• Ensure that all personnel involved in the procurement process receive required training and have the opportunity to take other training. • Attend training so they can encourage subordinates' participation.
Procurement Personnel	• On a rotating basis work with operating unit SBS in developing or reviewing training materials to ensure all relevant updates are referenced. • Attend required training and provide feedback on effectiveness of program and make suggestions for improvement.
COTR's	• Attend required training and provide feedback on effectiveness of program and make suggestions for improvement.
Agency Heads	• Enforce compliance with training requirements.
OSDBU	• Develop training criteria for all persons involved in the procurement process. • Promote awareness of training requirements for both internal and external courses. • Commit necessary resources to provide effective awareness and training programs. • Create brochure to inform employees of the training program (mandatory for any individual involved in the procurement process).
Operating Unit SBS	• Identify target audience for required training in each area. • Develop tailored training module to ensure accurate and detailed information necessary for each area to clearly understand the requirements. • Identify outside courses available to appropriate personnel. • Make operating unit aware of the mission.

Implementation

The following implementation schedule only encompasses the development of the first training course. As additional training is required and developed, new time lines need to be established depending on how and by whom the course is developed and any other pertinent factors.

Activity	Duration	Start	End
Develop Training SOW	4wks	1/1/99	2/11/99
Select Small Business Training Contractor	4wks	2/12/99	3/25/99
Develop Training Program and Materials	6wks	3/26/99	5/27/99
Review Training Materials	2wks	5/28/99	6/10/99
Schedule Training	2wks	6/11/99	6/24/99

Risk Assessment

Risk Element		Risk
Technical		Low
Staff Availability:	Assumes bulk of training course development is completed by contractor	Low
Cost:	Assumes bulk of training course development is completed by contractor and training is conducted by OSDBU staff and/or SBS.	Medium

Cost

Cost depends on the number of training courses and the materials required for them.

Course Development   less than $50,000

Course Materials   less than $25,000

E.   AWARDS

Promote Small Business Advocacy and Superior Performance through Meaningful Awards

Current Environment

Presently there are no Commerce awards given to small businesses in recognition of outstanding performance nor to large businesses who contribute to fostering small business opportunities. Likewise, there are no awards to Commerce operating units that demonstrate innovative approaches which contribute to the achievement of socioeconomic goals. Finally, there are no Departmental awards given to individual Commerce employees or groups of employees who contribute in an innovative or outstanding fashion to achieving socioeconomic goals or who demonstrate unusual innovation and/or commitment to the principles of the Commerce's socioeconomic programs.

The "Partners in Quality Contracting (PQC) Award" represents one current Commerce program that recognizes business achievements, but it does not consider the size of the business. This award acknowledges the contributions of contractors who provided superior service to Commerce. An assessment of the PQC award program suggests that there may be too many awards granted (i.e., total of 12), diluting the significance of the accomplishment and the importance of the award. At the same time, the process of determining the recipients of the PQC award is perceived positively because it is based on objective criteria and not politically based.

Analysis

Awards can provide powerful incentives for individuals and groups to pursue Departmental objectives. For example, businesses willingly spend substantial amounts of money to demonstrate their qualifications in pursuit of the Malcolm Baldridge Award. In addition, recognition at the operating unit level for programs such as the Combined Federal Campaign encourages operating unit executives to aggressively and enthusiastically support this program.

On a more personal level, individual and group achievement awards continuously motivate Commerce employees to perform at outstanding levels.

Award recipients value public recognition of superior performance and accomplishments, especially recognition at the Secretarial level. There is ample reason to believe that Secretarial awards may have a significant impact upon Commerce's socioeconomic programs for small businesses.

Awards should not automatically be conferred. Rather, the nomination and evaluation processes should be sufficiently rigorous so that Commerce honors only truly deserving recipients.   If there are no qualified nominees for an award, it should not be given. To do otherwise dilutes the value of the award.   At the same time, it is important not to present too many awards so that winning the award remains significant.

Types of Awards. The Team recommends awards to small businesses, operating units, and employees.

The following chart identifies the Secretarial awards to small businesses:

AWARDS TO SMALL BUSINESS		
Award	**Description**	**Number**
Secretary's Award for Excellence: Small Business of the Year	Recognizes outstanding service and contributions by a small business performing contractual services to the Department.	1 per Year
Secretary's Award for Excellence: Small Disadvantaged Business of the Year	Recognizes outstanding services and contributions by a small disadvantaged business performing contractual services to the Department.	1 per Year
Secretary's Award for Excellence: Small Women-Owned Business of the Year	Recognizes outstanding services and contributions by a women-owned business performing contractual services to the Department.	1 Per Year

AWARDS TO SMALL BUSINESS		
Award	**Description**	**Number**
Secretary's Award for Subcontracting Excellence	Recognizes exceptional subcontracting practices that promote the Department's socioeconomic goals and nurture small, small disadvantaged and women-owned business success.	1 Per Year

The Team recommends a yearly award be given to the Head of one Commerce operating unit. The recipient will value such an award which recognizes his or her outstanding initiative and commitment to Commerce socioeconomic goals.

AWARDS TO COMMERCE OPERATING UNITS		
Award	**Description**	**Number**
Secretary's Award for Outstanding Commitment to the Socioeconomic Programs	Recognizes outstanding and innovative programs within an operating unit that promote the Department's socioeconomic programs.	1 Per Year

The Team also recommends that employee awards be given to individuals or groups who demonstrate innovation or accomplish significant successes toward achieving Commerce socioeconomic goals. The prospect of recognition by the Secretary will motivate government employees, especially if the award is complemented by a monetary award. The Team believes that a financial incentive in the form of a special act or service award is desirable.

The Team emphasizes that candidates for this award are not limited to procurement staffs within the operating units. The Team believes that program staff who provide outstanding support to the Department's socioeconomic programs should be among those first considered. In many ways, this award represents one of the few "carrots" that can affect the attitude of program

managers and staff toward small business utilization. (See Part I, "Analysis: The Primary Challenge.")

OSDBU staff, including the full time Small Business Specialists (see Section C), are not eligible for this award.

The Team believes that the award amount for employee recognition should be substantial enough to encourage employees to seek it. Initially, the Team recommends that a pool of $25,000 - $50,000 be set aside annually for individual employee recognition. Determination of the amount to be awarded to any individual employee or shared by a group of employees will be made by an evaluation panel. The panel is not obligated to distribute all award money. At its discretion, the evaluation panel may also decide to recognize outstanding performance by an employee or group of employees without making a cash award.

Though the Team does not recommend a maximum number of employee awards to be granted each year, it believes that a rigorous selection process will limit the number to fewer than ten employees.

AWARDS TO COMMERCE EMPLOYEES			
Award	**Description**	**Number**	**Incentive**
Secretary's Employee Award for Socioeconomic Program Accomplishments	Awarded to employees or groups of employees within Commerce who have made outstanding contributions to the achievement of the department's socioeconomic goals. *OSDBU staff are ineligible for this award.*	Determined by the evaluation panel	Determined by the evaluation panel

Nomination Process. The Team considered various mechanisms for identifying candidates for each of the award categories. For the awards to businesses, the Team believes that a self-nomination process is unnecessary and undesirable for a variety of reasons. The most obvious is

the elimination of the need for OMB approval under the Paperwork Reduction Act, which would be required if small businesses could nominate themselves. The recommended nomination process for each type of award is summarized below.

SOCIOECONOMIC AWARD NOMINATION PROCESSES	
Award	**Nomination Process**
Small Business Awards	Nominator: Director, OSDBU Process: Nominees are drawn from the Past Performance Database (see Section K). Small businesses to be considered are those who have contracts for more than $100,000 with Commerce and who have achieved an average performance rating of at least 4.5 (on a scale of 5.0). In addition, the Director of OSDBU may consult with the SBS to identify small businesses for possible candidates.
Subcontracting Award	Nominator: Director, OSDBU Process: In general, nominees will be selected on the basis of performance against subcontracting plans. In addition, the Director of OSDBU may consult with SBSs to identify prime contractors who have implemented outstanding programs to support and foster successful performance by their small business subcontractors.
Operating Unit Award	Nominator: Director, OSDBU Process: In collaboration with SBSs, the Director of OSDBU identifies agencies that have implemented superior programs that encourage the pursuit of departmental socioeconomic goals, have established an outstanding record of achievement in the pursuit of those goals, and which have implemented innovative socioeconomic programs.
Individual and Group Awards	Nominator: Operating Unit Head Process: Operating Unit Heads document the achievements of individuals and/or groups within the operating unit who have made outstanding contributions to the Department's socioeconomic programs. Operating Unit Heads may consult with local contracting officers and SBSs to identify candidates. Each operating unit will be permitted to nominate up to five individuals or groups for consideration. (The Team believes that the number of nominees will be less than the maximum in all except the most unusual cases.) *Exclusions: OSDBU staff are ineligible for this award.*

Evaluation Process. The evaluation of nominations for Secretarial Awards must be rigorous and objective. OSDBU should draft standards and award criteria to ensure the rigor of the process. In addition, the objectivity of the evaluation process must be obvious. There can be no hint of personal or political favoritism. To that end, the members of the evaluation panel must be carefully chosen.

In all cases, the Director of OSDBU assembles the evaluation panel members and oversees their deliberations.

Evaluation Panel Membership	
Award	**Evaluation Panel**
Small Business Awards	Head Contracting Officers and Contracting Officers drawn from Commerce operating units.
Subcontracting Award	Head Contracting Officers and Contracting Officers drawn from Commerce operating units.
Operating Unit Award	Senior OSDBU staff drawn from agencies outside the Department of Commerce
Individual and Group Awards	Head Contracting Officers (HCOs) and Contracting Officers drawn from Commerce operating units. The panel is also responsible for determining the amount of any cash award (if any) to be distributed to individuals or groups of individuals. *Exclusions: Persons who have been nominated for this award as individuals or members of a group may not serve on the evaluation panel.*

Award Process. The Director of OSDBU coordinates all award activities. Among the Director's tasks are the following:

- Alerts nominators of award programs, schedules and their responsibilities.

- Assembles nomination packages for the consideration of the evaluation panel.

- Convenes nomination panels.

- Assembles award packages and approves submission of the awards for the Secretary's consideration. If the Director of OSDBU believes that an award would be inappropriate, the Senior Procurement Executive from the Department will serve as the adjudicating official.

- Ensures that business awards are cleared by the Office of the Inspector General and other officials, as appropriate.

- Arranges for appropriate publicity and award ceremonies. This includes promoting the awards through periodic communications to Commerce staff (see Section I) as well as press releases, etc.

- Arranges for plaques, certificates, and cash awards to be distributed to individuals or groups of individuals.

To-Be Environment

The nomination and evaluation of nominations takes place throughout the year to distribute the workload of OSDBU and HCOs. In the schedule outlined in Section B, the Secretary's awards to businesses and a Commerce operating unit will take place in January or early February, while the individual and group awards will be made in June or July. In all cases, OSDBU issues a letter to nominators alerting them of the deadline for nominations and identifies the members of the evaluation panels.

OSBDU staff assembles nomination packages documenting the accomplishments of small businesses and prime contractors to be considered for subcontracting performance. OSDBU also documents the achievements of operating units who have established innovative socioeconomic programs or established outstanding levels of achievement in pursuit of departmental socioeconomic goals.

Heads of operating units receive materials and instructions necessary to nominate individuals or groups of individuals for consideration.

OSDBU convenes the evaluation panels and provides the members with guidelines and standards for the evaluation of nominees. In the evaluation process, the panel is encouraged to consult with knowledgeable individuals (e.g., Contracting Officer's Technical Representatives for small business nominees) to clarify the basis for the nomination. For business awards, a maximum of one will be made each year in each of the following categories: small business, small disadvantaged business, women-owned business, and prime contractor's subcontracting award. Only one award will be given to a Commerce operating unit. The number of awards to individuals or groups can range from none to a practical maximum of ten or fifteen.

Other considerations:

- For all awards, the panel may reject any or all nominees at its discretion. For individual and group awards, the panel determines whether a cash award is merited and, if so, the amount of the cash award.

- When the evaluation panel has concluded its work, OSDBU assembles the award package and documentation. If the Director of OSDBU believes that an award recommended by the evaluation panel is inappropriate, the Senior Procurement Executive from Commerce will make a final determination. Award packages are circulated for clearance to the Inspector General and any other cognizant organization before being submitted to the Secretary.

- Once the award packages have been signed by the Secretary, OSDBU makes arrangements for suitable ceremonies and other publicity.

- OSDBU arrangements for the distribution of cash awards. OSDBU also ensures that Commerce staff at all levels are made aware of the awards by including appropriate language in periodic commitment letters and other documents issued by Commerce officials (see Section B).

Implementation

Implementation depends upon the availability of the Past Performance database, which is scheduled to be completed by August 1999. Full implementation of the awards program is schedule for mid-June 2000. The first Secretarial Small Business Awards and the first operating unit awards will be given in February 2000. The first employee awards will be made in June 2000.

The Team suggests the schedule in the following table.

SECRETARY'S SMALL BUSINESS AWARDS: IMPLEMENTATION SCHEDULE			
Activity	**Duration**	**Start**	**End**
Summary: Award Program	**42wks**	**8/27/99**	**6/15/00**
Summary: Secretary's Small Business Award	**26wks**	**8/30/99**	**2/25/00**
Define Procedures	12wks	8/30/99	11/19/99
Select HCO Award Panel	4wks	11/22/99	12/17/99
Select SB Candidates	4wks	11/22/99	12/17/99
Evaluation of Candidates	4wks	12/20/99	1/14/00
OIG, Other Clearances	0.2wks	12/20/99	12/20/99
Recommendations to Secretary	2wks	1/17/00	1/28/00
Secretary's Determination	4wks	1/31/00	2/25/00
Design Publicity Campaign	8wks	1/3/00	2/25/00
Announce First Small Business Award(s)	0wks	2/25/00	2/25/00
Summary: Secretary's Operating Unit Innovation Award	**26wks**	**8/27/99**	**2/25/00**
Define Procedures	12wks	8/27/99	11/18/99
Select HCO Award Panel	4wks	11/19/99	12/16/99
Select SB Candidates	4wks	11/19/99	12/16/99
Evaluation of Candidates	4wks	12/17/99	1/13/00
Recommendations to Secretary	2wks	1/14/00	1/27/00
Secretary's Determination	4wks	1/28/00	2/24/00
Design Publicity Campaign	8wks	12/31/99	2/24/00
Announce First Agency Award	0wks	2/25/00	2/25/00
Secretary's Employee Award	26wks	12/17/99	6/15/00
Define Procedures	12wks	12/17/99	3/9/00
Select HCO Award Panel	4wks	3/10/00	4/6/00
Select SB Candidates	4wks	3/10/00	4/6/00
Evaluation of Candidates	4wks	4/7/00	5/4/00
Recommendations to Secretary	2wks	5/5/00	5/18/00
Secretary's Determination	4wks	5/19/00	6/15/00
Design Publicity Campaign	8wks	4/21/00	6/15/00
Announce First Agency Award	0wks	6/15/00	6/15/00
Coordinate with HR	12wks	12/17/99	3/9/00

Risk Assessment

RISK ASSESSMENT		
Risk Area		**Risk Level**
Technical:	Requires availability of Past Performance Database for optimal implementation. See Section K.	Low
Staff Availability:	Requires OSDBU staff to maintain award program. Evaluation panel members drawn from operating units and other Federal agencies.	Medium
Schedule		Low
Funding:	Requires budget for employee and group awards.	Medium
Labor Relations:	Bargaining units should be notified of employee award program.	Low

Cost

Costs are expected to be modest. The largest cost will be associated with establishing a pool of award money to be distributed to individuals and/or groups of individuals. The Team recommends that these funds be under the control of the Director of OSDBU.

The Team assumes that assigned staff can absorb additional workloads.

Estimated Cost: less than $50,000 per year (for cash award pool).

F.   MULTIPLE AWARD CONTRACTS

Use Multiple Award Contracts to Promote Small Business Contracting

Current Environment

Multiple award contracts are used to establish a pool of companies providing specified goods or services. In the event of a need to acquire such goods or services, the multiple award vehicle is used to award a contract to satisfy the needs, usually on an expedited basis.

Multiple award contracts may take several forms, including Blanket Purchase Agreements (BPA), Multiple Award Services Contracts (MASC), Government Wide Agency Contracts (GWACS) and others. Multiple award contracts are primarily of two types:

1. Non-competitive awards are for companies to express an interest in providing specified goods or services to the government in the event the government has an interest in acquiring those goods or services in the future. The primary advantage of a non-competitive multiple award vehicle is to limit the number of companies whose proposals may have to be evaluated during the government's decision making process. The Patent and Trademark Office is in the process of establishing a number of BPAs using this approach.

2. Competitive multiple contract awards attempt to pre-qualify a limited number of businesses by establishing their qualifications to provide specified goods and services. Typically, a government agency issues a fully competitive solicitation seeking proposals, rigorously evaluates those proposals, and usually selects a subset of the bidders. As operating units identify acquisition needs, they select the competitive multiple award vehicle to limit the number of businesses permitted to compete. Such competitions are usually abbreviated, so they may consist of little more than contractors' making an oral presentation of their capability to satisfy a particular need. Once whatever required presentations are made, the operating unit is able to quickly award a contract. One such example is the Census Bureau's GWACS for Information Technology, which occur in an expeditious manner. The BPA multiple award contract allows operating units to limit contractors to small businesses only. FEDSIM, an organization within the General

Services Administration, utilizes MASCs to award IT contracts worth nearly a billion dollars annually.

Establishing and maintaining BPAs, GWACS, MASCs and similar multiple contract awards involves significant overhead costs. Initially, an organization that wishes to set up one of these vehicles must be willing to assume the expense of competitive selection of the companies to become BPA participants. This is normally a fully competitive process which involves a rigorous evaluation of bidders' capabilities prior to their ultimate selection. Competitive multiple award vehicles must be re-competed periodically (perhaps every two or three years), adding to the administrative costs. Once a multiple award vehicle is established, the sponsoring organization must administer its program, ensuring that contractors are properly notified of upcoming contracting opportunities and provided the opportunity to demonstrate their qualifications. Also, following award of a contract, the sponsoring agency must manage the contract, ensuring that work is properly performed and payment for those services is timely.

Analysis

Multiple award contracts can be a powerful mechanism for matching small businesses to contracting opportunities where they can provide exemplary service to the government.

Within the Department, several operating units have established, or are in the process of establishing, multiple award contract vehicles. In some instances, the scope of these vehicles is identical (e.g., both Census and NOAA plan multiple award vehicles for IT services). Others reflect an operating unit's substantial needs in a particular area.

A problem exists, however, in that operating units do not utilize one another's multiple award contracts. For greatest effect, operating units should be able to utilize small business contractors who participate in other operating units' multiple award contracts. This suggests a need for coordination at the Departmental level to correct this duplication of contracting efforts as well as the administrative and overhead costs associated with awarding and maintaining them.

A secondary problem exists where one operating unit has sufficient demand for some goods or service that it establishes a multiple award contract as a mechanism for efficiently satisfying those needs. A different operating unit may have an infrequent or occasional need for such services but — because it is unaware of the existing multiple award vehicle — does not utilize

the contracting structure established by the other operating unit. Instead, that operating unit acquires services when the need is identified on a case-by-case basis, which is a waste of resources.

A collateral problem exists when the need for particular goods or services is distributed throughout the Department. Though no single operating unit has sufficient demand for the goods or services that it merits establishing a multiple award contract vehicle, the total demand, Department-wide, would be sufficient to merit the administrative costs of establishing and maintaining a multiple contract vehicle.

One of the roles of Secretarial level organizations is the coordination of operating unit efforts to achieve efficiency and economy. It seems desirable that a responsible individual, perhaps from the Office of Acquisition Management (OAM), coordinate establishing multiple award contract vehicles for the use of the Department and all operating units.

To-Be Environment

At least annually, the Director of the Office of Acquisition Management of Commerce reviews the needs of its operating units to identify requirements for goods and services where a multiple award contract vehicle may be appropriate. OAM then evaluates the results of the review and determines the goods and services, or combinations of goods and services, where a multiple award contracting arrangement can be a mechanism for acquiring services and goods at a lower cost or through an accelerated acquisition process. The OAM then allocates the responsibility for establishing and maintaining the multiple award vehicles among the operating units of the Department in order to distribute the administrative time and expense fairly. In turn, the operating units establish and maintain the multiple award vehicles identified by the OAM.

The OAM is responsible for informing all operating units of the existence of the multiple award contracts and the goods and services that can be obtained from them. The OAM also issues guidelines to the operating units regarding the proper use of multiple award contract vehicles and determines the type of multiple award vehicle that is established by the operating unit. Once multiple award contracting vehicles are in place, the operating unit awarding the contract now discharges all functions associated with the use of the vehicle, making it readily available to other operating units.

In the individual Commerce operating units, the availability of multiple award contract services is widely known as a mechanism for acquiring goods and services quickly. As program and contracting staff approach the definition of a procurement, the range of multiple award contract services is frequently considered as a means of acquiring qualified contractors on an expedited basis.

Roles and Responsibilities.

Participants	Roles and Responsibilities
Senior Procurement Executive	• Surveys operating unit needs and determines where multiple award contracts should be used. • Identifies the type of multiple award contract to be used for each type of goods and service. • Allocates responsibility for awarding and maintaining multiple award contracts to operating units. • Ensures that the availability of multiple award contracts is communicated to all operating units. • Establishes guidelines for operating units to follow in determining the suitability of using multiple award contract vehicles.
Contracting Officer	• Compete or otherwise establish and maintain multiple award contract vehicles as directed by the Senior Procurement Executive. • Support and encourage the use of multiple award contract vehicles when appropriate. • Provide procurement staff support for the use of multiple award contract vehicles and their use by all organizational units within the Department.
Contract Specialist	• Make program staff aware of the existence of multiple award vehicles than can serve to meet their needs. • Assist program staff in the use of multiple award contract vehicles. • Ensure that appropriate reports and other documentation are timely prepared by COTRs and contract staff to meet requirements.
Operating Unit Small Business Specialist	• Make program staff aware of the existence of multiple award vehicles that can meet their needs. • Review documentation and when appropriate issue

Participants	Roles and Responsibilities
	small business waiver. Market multiple award contract opportunities to small businesses, and market small business capabilities to program staff.
Program Staff	• Consider the use of multiple award contracts as a means of achieving program objectives.

Implementation

Activity	Duration	Start	End
Summary: MASC, GWACS, BPAs, Etc.	**80wks**	**1/15/99**	**7/27/00**
Assess and Evaluate Current Efforts	16wks	1/15/99	5/6/99
Assess Future Program Needs	16wks	1/15/99	5/6/99
Develop Instruction and Guidelines	24wks	5/7/99	10/21/99
Agencies Award Multi-Contracts	40wks	10/22/99	7/27/00
Implement Multi-Award Program	0wks	7/27/00	7/27/00

Risk Assessment

Risk Factor	Risk
Technical	Low
Schedule	Low

Cost

Costs of establishing and maintaining multiple award contracting vehicles will depend upon the number of such contracts identified and approved by the Department's Senior Procurement Executive, the type of multiple award contract vehicle, and the use of those vehicles once they are put in place. Operating units provide the staff support necessary to award, monitor and maintain the multiple award contract responsibility assigned to them.

G. AUTOMATED PROCUREMENT SUPPORT TOOLS

Implement Automated Procurement Support Tools for Management, Data Collection and Reporting

Current Environment

The Team looked at the variety of software currently used to integrate acquisition commitment, obligation, de-obligation and expenditure information with operating units' accounting systems and the systems used to collect acquisition characteristics as they relate to small businesses. At a minimum, any proposal to revamp data collection and reporting requirements must provide for the same capabilities and information as that provided by current acquisition data collection mechanisms.

Commerce Administrative Management System (CAMS). CAMS has been under development for a number of years. Its Core Financial System (CFS) capabilities are used by many operating units. CAMS was envisioned to be a comprehensive suite of software capabilities that would ultimately encompass all administrative management functions, including finance and accounting, procurement, travel, inventory management, and the like.
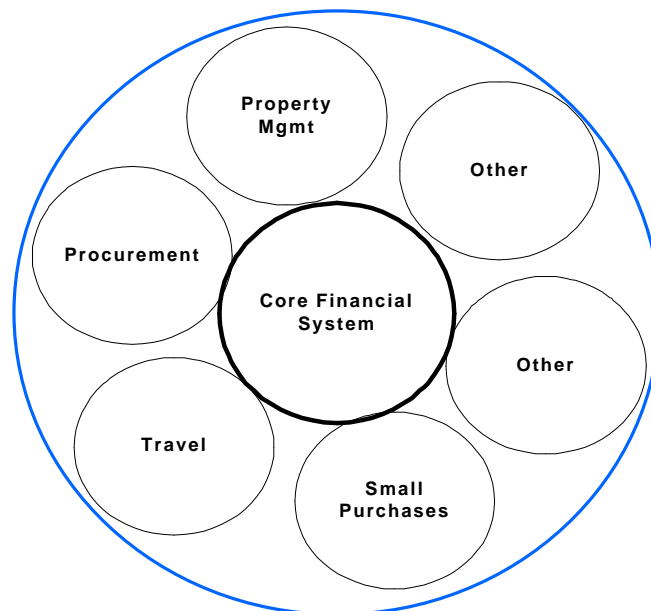
CAMS Conceptual View.

The original plan to implement CAMS as a multi-platform capability used by all Commerce operating units has not been realized. Though several operating units have installed the CAMS/CFS component, other operating units (PTO, for example) have obtained waivers. Of the non-core capabilities, only the CAMS/SPS (CAMS/Small Purchase System) capability is currently deployed in a limited fashion at the Census Bureau.

Conceptually, CAMS can be viewed as an integrated series of sub-systems that, if implemented, would be capable of providing a full range of administrative and financial services.

CAMS Core Financial System (CFS). A crucial consideration is the relationship between the acquisition management software and an operating unit's financial management software. A minimum requirement of any method or system of gathering acquisition data is that it must be integrated with the operating unit's bookkeeping and accounting software. Most agencies — the PTO and NIST being exceptions — have implemented a standardized, hardware independent software platform, typically referred to as the Core Financial System (CFS). The PTO has been granted a waiver by Commerce based on an audit of its own tailored financial management system.

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                    ┌─────────────────┐
                    │    Commerce     │
                    │Financial Systems│
                    └─────────────────┘
      ┌───────────┬────────┼────────┬───────────┐
  ┌───────┐  ┌───────┐ ┌───────┐ ┌───────┐  ┌───────┐
  │  O/S  │  │ NOAA  │ │  PTO  │ │ NIST  │  │Census │
  │  CFS  │  │  CFS  │ │(Custom)│ │(Custom)│  │  CFS  │
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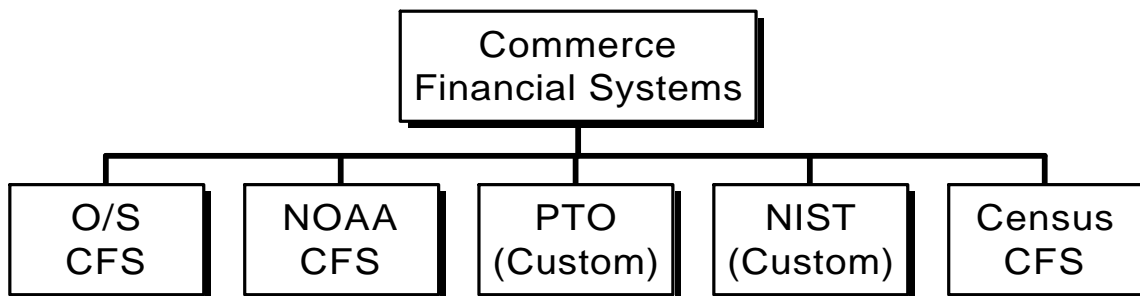
Acquisition Management Systems. The team also reviewed the systems and methods utilized by the operating units to collect and manage data related to the acquisition process. Again, the systems and methods are not standardized throughout the Department and its operating units, as is shown in the following figure.

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                         ┌─────────────────┐
                         │ Commerce-Wide   │
                         │      SPS        │
                         │     CPDS        │
                         │     CAMS        │
                         └─────────────────┘
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O/S	NOAA	PTO	NIST	Census
CPDS - SPS	CPDS - SPS	AMS Desktop	(Custom)	CPDS
	CTS	CPDS	CPDS	CAMS/SPS
	CAMS			

EASC	WASC	CASC	MASC	Jeffersonville
CPDS - SPS	CPDS - SPS	CPDS - SPS	CPDS	CPDS
			SPSX	CAMS/SPS
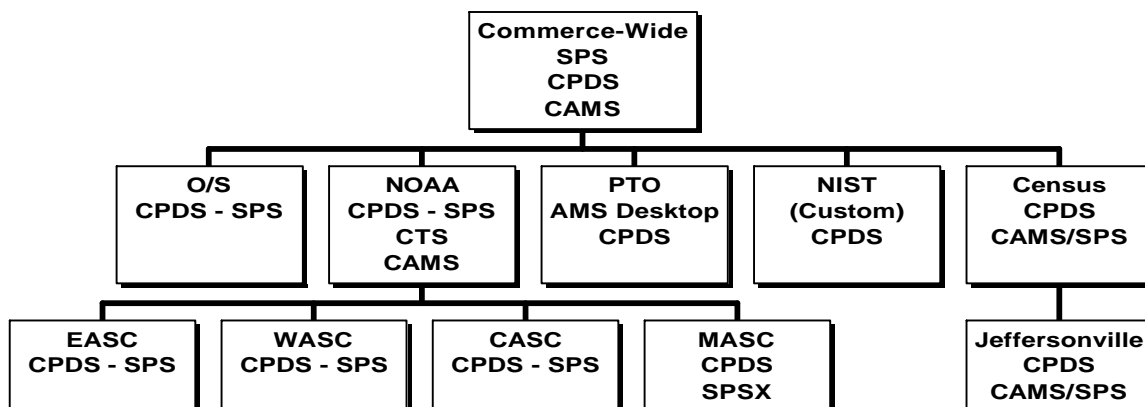
CPDS - Commerce Procurement Data System
CAMS - Commerce Acquisition Management System
SPS - Small Purchase System
CTS - Commerce Tracking System
SPSX - Small Purchase System (Variant)

Commerce Procurement Data System (CPDS). CPDS serves as a collection mechanism for data over $25,000 related to procurement activity, including small business data. OSDBU utilizes CPDS to produce a variety of reports profiling small business participation for internal use and for reporting to GSA and SBA via inputs to the Federal Procurement Data System (FPDS). CPDS is a "user unfriendly," outdated, flat file database management application that accepts input from operating units to the host computer located in Springfield, Virginia. Both simplified procurement (small purchase) data and contract (large purchases) are entered into the CPDS database.

Procurement Automated Team (PAT). In February 1998, a CONOPS team comprised of selected operating unit representatives was formed to deliver a comprehensive solution for automating procurement processes throughout the Department. Representatives from the Office of the Secretary, PTO and NOAA led this effort with representation from Census and NIST. In August 1998, this effort resulted in the publication of a "Project Agreement" seeking proposed solutions from industry which should meet three primary objectives:

- Deliver all, or a majority of, the system functionalities the Department requires in a single integrated system.

- Operate on a wide variety of software and hardware platforms.

- Interface seamlessly with the Department's Core Financial Systems.

The Project Agreement lists 45 high level requirements that the proposed system should satisfy, distributed among six areas: (1) General Requirements, (2) Overall Management, (3) Requisitioning, (4) Simplified Acquisition, (5) Contract Award and (6) Contract Administration and Management. The team reviewed the PAT Project Agreement and found it largely duplicated its own emerging recommendations.

The scope of the acquisition for an Automated Procurement Capability (APC) can be broadly defined as commercial-off-the-shelf (COTS) products that will replace existing Commerce acquisition management and monitoring systems, including CPDS, SPS, etc. The APC product must interface/be integrated with the Core Financial System. The PAT project team notes that it will evaluate the CAMS/SPS pilot at the Census Bureau and reserves the right to exclude small purchases from the APC acquisition if the CAMS/SPS pilot proves successful.

In summary, the PAT Project Agreement appears to envision the replacement of all Commerce acquisition systems.

To confirm its understanding of the Automated Procurement Capability acquisition, which is proceeding under CONOPS accelerated acquisition procedures, the Team interviewed Stanley Livingstone (PTO), the leader of the PAT project team. The Team learned that most of the desirable characteristics it had identified will be met by the envisioned APC acquisition.

Analysis

Current Procurement System Deficiencies. Based on its knowledge of acquisition data collection and reporting processes in effect at NOAA, Census and OSDBU, the team identified deficiencies and areas where there appears to be significant opportunities for improvement:

- Data collection methods and systems used are outdated, difficult to use and fail to be user friendly.

- Systems require duplicate entry of some data.

- Current procedures and processes do not support collecting small business data associated with GSA Schedule procurements, interagency agreements, GWACS,

credit card purchases, and the Small Business subcontracting activities of prime contractors.

- Operating units use different and incompatible hardware and software platforms for the entry, collection and reporting of acquisition information.

- *Ad hoc* reports are difficult or impossible to generate using automated systems. Frequently, report data is re-entered into spreadsheets for manipulation and the preparation of specialized reports.

- Significant problems exist with the quality and accuracy of data collection and summarization. In addition to the error-prone requirement to re-enter data, the likelihood of double counting or omitting relevant data is a common problem.

- In general, data is collected, summarized and analyzed only after an acquisition is complete. This does not allow for monitoring small business subcontracting progress associated with procurements prior to contract award.

- Systems do not support or encourage advanced planning and documentation of small business subcontracting accomplishments. Thus, operating units lack effective procurement planning of any sort, making it difficult for procurement organizations to respond well to operating unit needs.

- Operating units have independently expanded the types of data reported to their systems. Data element definitions are inconsistent, potentially leading to inaccurate reports.

Desirable Procurement System Characteristics. Having identified weaknesses and deficiencies in existing systems for collecting, summarizing, and reporting data, the Team identified a number of characteristics that any proposed system should exhibit:

- Users are able to create *ad hoc* reports based on any combination of data elements and characteristics. The to-be system allows custom tailoring and formatting of reports.

- System provides users with a friendly, logical interface designed to facilitate entering data and creating reports.

- To-be system enables the tracking and monitoring of all types of procurements (GSA Schedule procurements, interagency agreements, GWACS, credit card purchases, small purchases, and prime contractor subcontracts).

- System tracks prime contractor involvement of small businesses as subcontractors. System monitors prime contractor adherence to small business subcontracting commitments.

- Reports separate or consolidate data by procurement type, depending on need.

- Data is entered into the system directly by knowledgeable procurement officials, eliminating the need for coding forms and other documents presently used to facilitate data entry. Real time edits identify errors and require their resolution.

- Data is entered only once.

- System requires/strongly encourages continuous beginning-to-end procurement planning, including monitoring small business participation as subcontractors. Procurement plans are periodically updated to reflect changing procurement needs throughout the fiscal year.

- Data related to a procurement is captured as early in the process as possible and updated throughout the life of the contract.

- Data elements, their definitions and naming conventions are uniform. All users have a common understanding of what information is available from the system.

- A single mechanism for collecting, managing, monitoring and reporting data related to acquisition is sufficiently flexible to meet each operating unit's needs. The need to tailor the system to meet unique needs does not result in the introduction of incompatibilities and inconsistencies.

- Program staff provides additional support to that provided by procurement staffs.

- Systems are capable of monitoring the status and timing of actions and alerting staff to needed actions, activity schedules, etc.

- Systems are capable of helping to manage procurement workloads through techniques such as presumptive assignment of procurement requests, reports to alert managers to possible problems, and balancing workload among procurement staff.

- Systems accept electronic input from credit card companies and have the capability of extracting relevant information related to small business purchases.

- Systems have all data elements necessary to extract and produce reports of any type requested.

- The system provides support for electronic document processing (EDI), which replaces the transfer of paper documentation between Commerce and operating units (and within operating units) with their electronic equivalents.

- The system is smoothly integrated (or interfaced) with existing systems (i.e., CAMS, CPDS), as necessary. This implies the ability to transfer information in electronic form among systems, eliminating the need to reenter data.

- Optimally, all Commerce operating units use a common hardware and software platform to accumulate procurement data of all types.

- The system is easily and inexpensively maintainable and modifiable.

- The system provides outputs in the form and format required for regularly scheduled reporting to external agencies such as GSA, etc.

- Departmental organizations such as OSDBU have immediate online access to all information necessary to respond to reporting requirements and requests for information without asking operating units to develop reports.

- The system contains all relevant historical procurement data.

CPDS. CPDS is the principal system for collecting and aggregating acquisition (both simplified procurements and contracts) data from all operating units. The system is nearing the end of its useful life as a flat file database management application that is hosted by an IBM mainframe computer located at the O/S Office of Computer Services in Springfield, VA. Data is provided to CPDS by the various operating units using on-line or batch processing. Data is retrieved from CPDS by organizations such as OSDBU to prepare acquisition summaries and reports. Most users agree that CPDS provides an unwieldy and generally unsatisfactory level of service.

The Team interviewed staff familiar with the current capabilities and planned enhancements to CPDS. Most effort is directed at maintaining CPDS and, to an extent, adding or modifying existing reports. Reference was also made by one individual to an effort to convert CPDS to a relational database "...sometime in the next few years." To the best of the Team's knowledge, there is no published plan or schedule for planned modifications to CPDS[1]; nor is there any evidence that CPDS users have been involved in any planning process .

Commerce Administrative Management System (CAMS). CAMS development and implementation began about a decade ago and has proceeded slowly. Most notably, the CAMS Core Financial System (CFS) has been widely deployed to most operating units, providing common bookkeeping and accounting capabilities. Other planned CAMS modules, e.g., procurement, travel, etc., have not been fully implemented in any operating unit. NOAA was initially selected as the operating unit responsible for testing CAMS' capabilities. Recently, Census has assumed that role. Currently, the CAMS small purchase module (CAMS/SPS) has been partially deployed at Census. If the test is successful, NOAA expects to deploy it. There are no immediate plans to develop or test other CAMS modules.

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[1] Implementation of the Automated Procurement Capability (APC) is expected to result in the replacement of CPDS.

The Team interviewed staff knowledgeable about the current status of and planning for CAMS. CAMS implementation and deployment plans are generally well publicized as they evolve. The Team found no indication that a full CAMS deployment will be achieved in the near future.

APC Requirements and PAT Recommendations. The Team compared the PAT's high level requirements and the desirable characteristics it had identified in the course of its own evaluation (as stated above). In many instances, the Team's desirable characteristics appear to be explicitly or implicitly covered in the PAT requirements. In others, PAT requirements go beyond the scope of the Team's objectives. In still other areas, the Team has identified desirable characteristics that go beyond those expected to result from the current PAT high level requirements. One of the participants in the PAT effort assured the Team that virtually all the desirable characteristics it has identified can be incorporated into the detailed PAT requirements that will be expressed in the APC Statement of Need (SON).

One of the Team's recommendations deals with the implementation of methods and procedures for long and short range procurement planning (see Section A). Current APC requirements do not address this adequately. The Team believes that the long range plans for APC should provide for the development of a procurement planning capability that will satisfy the needs of the Department and its operating units.

The PAT Lacked a Small Business Advocate. The original PAT had no member representing the interests of OSDBU or small businesses. Since then, a member of the re-engineering team, Jacqueline Wilson (Census), has become a member of the PAT selection and development team and will continue to represent OSDBU and small business interests as requirements are refined and APC implementation takes place.

To-Be Environment

The ideal environment would result in the implementation of a single set of tools and capabilities with the same "look-and-feel" throughout all operating units of the Department. The APC product represents a significant step in this direction. Realistically, it is unlikely that all operating units will, in the foreseeable future, use the same set of procurement data collection tools. PTO and NIST have invested significant resources in their current successful, custom-

designed systems. For them to adopt the APC standards will require additional investment simply to achieve Department-wide uniformity.

The to-be environment will include CAMS/CFS and its future evolutions as the default set of financial capabilities. When PTO and NIST decide to replace their current core financial systems, they should be required to adopt CAMS/CFS. Other CAMS subsystems, including the small purchase subsystem being tested at Census, will have disappeared in the future environment, and agencies-- again with the possible exception of PTO and NIST— will utilize the APC.

The APC tool set will be supplemented by an integrated procurement planning module that will enable the Department to meet the objectives and to-be environment described in Section A. The capabilities provided by APC tool set will include those listed in the original PAT Project Agreement and refined in the Statement of Need. The original required set of PAT capabilities appears below:

PAT Requirement Lists for the APC.

General Requirements:

- Used to prepare general office documents (word processing, spreadsheet, etc.)
- Uses Federal Procurement forms
- Accommodates acquisition (including commercial) practices, formats and procedures

- Routes documents for review and approval
- Stores, manages and archives associated documents into single folders
- Provides document scanning and imaging capability
- Includes extensive on-line help support and references, including FAR, local policies, procurement databases, and acquisition tools
- Is reliable and readily maintainable
- Incorporates templates and user assistance describing specific steps, processes, and approvals required by various commodity, type of action, and associated time frames
- Provides adequate security measures and techniques
- Is a web-based application, including document posting

Overall Management Requirements:

- Reviews and assigns requisitions in on-line mode

- Manages workload (view work volume, track assignments, examine projected completion dates, milestones, and monitors planned, scheduled and actual performance, etc.)

- Supports all standard reporting requirements

- Supports preparation and presentation of *ad hoc* reports

- Supports summarization and transfer of data to Federal Procurement Data System (FPDS) and the Commerce Procurement Data System (CPDS). CPDS is similar to FPDS but has a few more data elements

Requisitioning Requirements:

- Prepares and accepts requisitions in sufficient detail to satisfy all processing requirement

- Supports document attachments

- Provides on-line templates for the entry of requisition data

- Tracks requisition status for all users/customers from initiation to final close-out

Simplified Acquisition (includes Purchase Card, Imprest Fund, SF 44, and BPA)

- Facilitates preparation and issuance of RFQs

- Supports Electronic Commerce and Electronic Data Interchange standards.

- Produces Purchase/Delivery Orders

- Searches and accesses Internet-based catalogs

- Vendor/bidder management, including past performance

- Produces complete CBD notice, including attachments and links

- Facilitates quote evaluation

Contract Award Requirements:

- Prepares solicitation and contract documents using expert-based facilitation tools

- Vendor/bidder management, including past performance

- Prepares complete CBD notices, including attachments and links

- Supports Electronic Commerce and Electronic Data Interchange standards.

- Facilitates bid/proposal evaluation

CONOPS Support (applicable to all contracts) Requirements:

- Supports collaborative document preparation

- Provides electronic document management and workflow support

- Internet-based bulletin board

- Electronic Commerce functionality and Web interface

Contract Administration/Management Requirements:

- Prepares contract modifications and all routine supporting documents

- Issues Task/Delivery Orders

- Establishes milestones and tracks progress of activities

- Tracks/alerts exercise of options

- Prompts for receiving and acceptance information

- Tracks invoicing and payment

- Tracks financial status (commitment, obligation and disbursement)

- Supports contract close-out actions

The list of PAT requirements is being refined for the Statement of Need scheduled for release in December 1998. The final list will reflect those additional requirements identified by the small business reengineering team, particularly as they relate to procurement planning (see Section A) and the past performance database (see Section K).

Implementation

Implementation is under the control of the PAT acquisition and implementation team, which will develop a detailed implementation schedule. The following schedule is considered to be an approximation and should be replaced by the formal APC schedule once it is developed.

Activity	Duration	Start	End
Summary: Automated Procurement Support	**60wks**	**1/31/99**	**3/24/00**
Summary: Procurement Automation Initiative	**60wks**	**1/31/99**	**3/24/00**
Award Procurement Automation Contract	0wks	1/31/99	1/31/99
Finalize Requirements	6wks	2/15/99	3/26/99
Select Test Organization	2wks	2/1/99	2/12/99
Preliminary/Detailed Design	12wks	2/1/99	4/23/99
Code/Unit Testing	16wks	4/26/99	8/13/99
Integration Testing	4wks	8/16/99	9/10/99
Training	4wks	9/13/99	10/8/99
Deploy Initial Testbed Capability	0wks	10/8/99	10/8/99
Evaluate Test	24wks	10/11/99	3/24/00
Develop Deployment Plan	8wks	1/31/00	3/24/00
Begin Deployment	0wks	3/24/00	3/24/00
Summary Replace CPDS	**26wks**	**1/31/99**	**7/30/99**
Award Procurement Automation Contract	0wks	1/31/99	1/31/99
Define CPDS Requirements	8wks	2/1/99	3/26/99
Preliminary/Detail Design	8wks	3/29/99	5/21/99
Code/Test CPDS Replacement	6wks	5/24/99	7/2/99
Convert 'Old' CPDS Data	4wks	7/5/99	7/30/99
CPDS Replacement Implemented	0wks	7/30/99	7/30/99

Risk Assessment

Risk Area		Risk Level
Technical:	Use of COTS product reduces development risk. Tailoring COTS products to Departmental needs increases risk.	Medium
Staff availability:		Unknown
Schedule:	Only a bare minimum of work has been done on APC. Detailed implementation plans, schedules, requirement documentation, etc. have not been prepared. The APC capability has been evaluated only at a high level, increasing the likelihood that unanticipated problems will be encountered and cause schedule delays.	Medium
Funding:	Modification of COTS software to meet departmental needs will entail additional cost.	Medium
Other:	The ultimate success of APC is dependent upon widespread implementation. The CAMS precedent is not encouraging. The	High

Risk Area	Risk Level
variation of requirements between operating units (and the existing commitment of some operating units to their own procurement systems) dictates the need for a very carefully constructed implementation and rollout strategy.	

Cost

APC cost estimates should be used.

H.   VENDOR OUTREACH

Implement Effective Vendor Outreach Programs

Current Environment

For both large and small businesses to participate effectively in competitive and streamlined Federal procurement actions, they must first become aware of the existence of a proposed procurement. Once that information is available, the businesses require sufficient information about the procurement and its requirements to make sensible business decisions regarding their ability to satisfy the government's needs. If a business makes a corporate decision to pursue a procurement, it must be prepared to demonstrate its ability to satisfy the government's need. Finally, to be awarded a contract, the business must convince the government through formal proposals demonstrations, or other mechanisms, that it is the most desirable source of the needed goods or services, cost and other factors considered.

Small businesses have several disadvantages in participating in the Federal government's procurement processes:

- Though competitive and other acquisitions are published *inter alia* in the Commerce Business Daily, small businesses frequently lack the staff necessary to monitor the CBD announcements to identify procurement opportunities.

- Small businesses lack the marketing staff to maintain a presence in Federal agencies and establish relationships with program and contract staffs to obtain advance notice about agency procurement plans.

- Small businesses lack the promotional and advertising resources of large businesses and, therefore, find it more difficult to convincingly demonstrate their ability to meet the government's requirements.

- Unlike large businesses, many of which have full time staff dedicated to the analysis of government solicitations and the preparation of proposals, small businesses have few if any of these resources. Moreover, many small businesses lack even a basic understanding of how to respond to competitive solicitations.

The end result of these conditions is that small businesses are often excluded from consideration in Federal procurement processes because: (1) they either never become aware of the solicitation at all or find out about it too late; and (2) they are hindered by their lack of ability to effectively present themselves and their qualifications as viable candidates for contract awards.

Currently, the Department's ability to provide support to small business through outreach programs is limited by a small OSDBU staff and few resources. OSDBU maintains a list of known procurements on its web site; refers small businesses seeking procurement- specific information to the part time SBS in Departmental operating units; directs small businesses desiring support, advice and assistance to SBA and other agencies that provide more substantial small business support and outreach programs; and represents the Department's small business program and policies at convocations and trade shows.

Analysis

The many obstacles faced by small businesses as they strive to become competitive in the Federal procurement arena lead the team to conclude that Commerce can do more to assist them. By implementing a variety of mechanisms, the Department can assist small businesses to mature into corporations capable of competing on a level playing field with established larger businesses.

One significant advantage enjoyed by large businesses is the availability of a marketing staff to establish relationships with program and procurement staff within Federal agencies. Such access often enables marketers to become aware of contemplated procurement actions at an early stage. This awareness, in turn, enables their firm to market its capability to satisfy the emerging requirement and, depending upon the type of competition, to organize itself to prepare required responses.

To be most effective in ensuring that small businesses have a reasonable opportunity to acquire knowledge about a procurement and make prudent business decisions on whether or not to promote themselves as a solution to the acquisition need, the department must take aggressive steps to establish multiple channels of communications with small businesses.

The proposal to establishment a rigorous procurement planning system and discipline provides an initial basis for obtaining information regarding planned procurements early in the process. By making small businesses aware of these plans, the Department gives them the opportunity to evaluate the suitability of a procurement or to ally themselves with prime contractors in teaming arrangements.

There are a number of avenues available for making procurement information known to small businesses. Informational postings as well as "push" publications via the Internet provide one such avenue.

Other methods that may be explored include developing formal programs whereby small businesses and the Department can communicate their interests and plans to one another.

To-Be Environment

A well-designed and maintained interconnected set of web pages (see Section J) informs interested businesses, both large and small, of planned procurements as early in the process as possible. In addition to providing information through bulletin board postings, information is broadcast to businesses that have subscribed to the service as updates are made to the various web pages. Small Business Specialists in the major operating units ensure that as much information as possible is made available on the Internet and that it is consistent with procurement policies and regulations.

To provide additional information to small businesses, OSDBU arranges monthly vendor outreach meetings between small businesses interested in Commerce procurements and program staff who have initiated or plan procurements. These meetings are held approximately once a month, rotating among the major operating units which, as hosts, provide facilities and other administrative support. The vendor outreach meetings provide an effective mechanism for enabling small businesses to schedule a predetermined time to engage in one-on-one conversations with program staff. Though meetings are limited to a relatively short time (15 minutes), they serve to provide small businesses with an effective way to introduce themselves and their capabilities to program staff as well as to obtain information on procurement plans from program staff.

At least annually, Commerce operating units host a joint meeting and invite both small and large businesses. The annual meeting provides the guests with an overview of procurement plans developed by each operating unit (see Section A). In addition, the annual meeting is used to introduce small businesses to larger businesses seeking to form partnerships with small businesses as subcontractors. The objective of the annual meeting is not only to provide for interaction between operating unit program and procurement staffs and large and small businesses but also to provide an opportunity for small and large businesses to network.

OSDBU takes the lead in coordinating all meetings, along with the publication and posting of information about the meetings on the Internet. OSDBU conducts follow-up assessments, consulting with participating operating unit staff members as well as small and large business participants to provide a continuing assessment of the effectiveness of the meetings and makes changes to format, procedure and content, as appropriate.

Annually, Commerce sends representatives to trade fairs and conventions such as MEDweek. OSDBU uses this forum to provide participants with information about Commerce contracting opportunities and outreach programs.

OSDBU also coordinates and takes additional actions such as the following:

- Co-sponsor small business radio and television shows, targeting industries that provides services such as information technology, shipbuilding, etc. to Commerce.

- Improve advertising and promotion of Commerce participation in events such as MEDweek.

- Improve the use of information obtained from small businesses at events such as MEDweek.

- Use Commerce operating units and their field offices as a means of disseminating information on a national basis (in addition to Internet dissemination).

VENDOR OUTREACH ROLES AND RESPONSIBILITIES	
Participants	**Roles and Responsibilities**
OSDBU	• Organize meetings for each operating unit. • Set agenda and seek appropriate operating unit attendance. • Act as facilitator of meeting with each operating unit.
Program Area	• Share upcoming opportunities and give consideration to small businesses that show interest. • Act as technical advisor
Operating Unit SBS	• Outreach and market the operating unit they represent. • Work with OSDBU in organizing and seeking program area representation. Schedule individual meetings with small businesses
Large Businesses	• Network to form partnerships
Small Businesses	• Market capabilities and seek available opportunities
Public Affairs Organizations	• Publicize to small business community

Implementation

Activity	Duration	Start	End
Vendor Outreach (First Session)	**71wks**	**3/11/99**	**7/20/00**
Full Time SBS Available	0wks	9/17/99	9/17/99
Get Info on Justice, Treasury Programs	4wks	2/18/00	3/30/00
Develop Guidelines for Program Reps	4wks	3/31/00	5/11/00
Home Page Development Complete	0wks	3/11/99	3/11/99
Plan First Meeting	4wks	3/31/00	4/27/00
Identify Program Representatives	4wks	5/12/00	6/8/00
Design Publicity Program	2wks	4/28/00	5/11/00
Publicize Meeting	8wks	5/12/00	7/6/00
Arrange for Facility	2wks	4/28/00	5/11/00
Accept Appointments	4wks	6/9/00	7/6/00
Hold First Meeting	0wks	7/6/00	7/6/00
Follow Up Assessment	2wks	7/7/00	7/20/00

Risk Assessment

Risk Factor		Risk
Technical		Low
Schedule:	The implementation can take place independent of other recommendations, if necessary. However, the availability of operating unit procurement planning information and the availability of Internet mechanisms for information dissemination will substantially increase the value of this recommendation.	Low
Staff Availability:	Monthly Vendor Outreach Meetings will require the participation of program staff. Such participation will create yet another demand (non-program related) on their time. The objective of having the "best" program representatives participate in the vendor outreach meetings may be difficult to achieve. In addition, OSDBU will be asked to absorb additional workload associated with coordinating meetings, representing Commerce more effectively at trade shows, maintaining its Internet presence, etc. It is unclear whether expected staffing levels will be sufficient.	Medium

Cost

Costs of developing vendor outreach programs should be modest. There are a number of comparable programs that have been established in other Federal agencies that may be used as models. Implementation assumes the availability of Small Business Specialists in major operating units who will assume responsibility for scheduling facilities and participants.

I.   GOAL SETTING

Implement a Redesigned Socioeconomic Goal Setting Process

Current Environment

In the Department of Commerce, the Office of Small and Disadvantaged Business Utilization (OSDBU) is charged with the responsibility for establishing socioeconomic goals and reporting on its progress toward achieving these goals. Each of the major operating units establish annual socioeconomic goals for small, small disadvantaged, and women-owned businesses (S/SDB/W). The organizational responsibilities of the OSDBU are detailed in DOO 15-8 and various Department Administrative Orders (DAO), including 208-15. These Departmental guidelines are currently being revised.

The Small Business Administration (SBA) issues a letter to the Secretary (usually around September) calling for measurable improvements in Departmental goals. This letter is forwarded to the OSDBU, which negotiates and establishes S/SDB/W goals with each major operating unit based on historical contracting activity. Once all goals have been established for the Department, memoranda is prepared for either the heads of operating units or the heads of contracting offices informing them of the fiscal year goals. The Secretary then submits this information to the SBA Administrator for acceptance.

The Commerce Procurement Data System (CPDS) captures data on all Commerce contracts over $25,000. This database provides socioeconomic information and statistics which assist the OSDBU in establishing procurement goals. In addition, prime contractors having subcontracting plans must submit annual reports to the OSDBU documenting their compliance to meeting the established socioeconomic goals as set forth in their subcontract plans.

This consolidated data, reflecting Commerce's socioeconomic achievements, is reported to the General Services Administration's Federal Procurement Data System (FPDS). From this data, SBA prepares a report to the President on each Federal agency's achievements against its established socioeconomic goals.

Analysis

The Team conducted interviews and discussions with internal customers such as program managers, acquisition personnel, and management stakeholders. The Team also interviewed the OSDBU directors at the Department of Veterans Affairs, the Department of Treasury, and NASA. Members also spoke with the SBA manager responsible for the federal goaling process.

The current goal setting process includes several deficiencies. If corrected, more appropriate socioeconomic goals from operating units will result, especially if changes are implemented in conjunction with other recommendations of the re-engineering team. The most significant deficiencies are addressed in the following paragraphs.

Top Down Commitment is Important. The effective promotion of socioeconomic goals must be communicated throughout Commerce by senior Commerce and operating unit officials. At present, expressions of such commitment are neither forceful nor coordinated. To be most effective, appropriate Department employees should be periodically reminded of the importance of meeting or exceeding socioeconomic goals and the mechanisms that are available to program staff to utilize small businesses.

Socioeconomic Goals Fail to Address Procurement Cycles. Due to bureau-specific missions, each operating unit within Commerce experiences cycles of varying magnitude that should affect the expected level of SB contract awards. Such cycles are exemplified by Census. Its Decennial Census programs operate in a 10-year cycle, with the bulk of expenditures and the potential for SB involvement occurring toward the end of each decade. Socioeconomic goals must take into consideration such procurement cycles and patterns (a) to avoid establishing unrealistically low or high fiscal year socioeconomic goals; and (b) to facilitate the identification of SB opportunities.

Socioeconomic Goals May be Unrealistic. Socioeconomic goals are imposed by OSDBU upon operating units based upon OSDBU's understanding of operating unit programs and plans. With no input from operating units, goal do not reflect a reasonable expectation of what the operating unit can achieve. Without input, there is little "buy-in." Though operating units may request OSDBU to adjust their goals, there is no formal procedure currently in place for negotiations to accomplish such changes. Formalized negotiations between OSDBU and the operating units are much more likely to result in the identification of realistic goals geared to the environment of the operating unit.

Measuring Success is Difficult. The percentage of dollars awarded to small, minority, and women-owned businesses is the only measurement of whether an agency meets its socioeconomic small business goals. Yet, successfully meeting one's goals becomes less meaningful because of an inadequate reporting system, input errors, and lack of a uniform measuring device for what operating units report. Other criteria such as outreach and partnering with industry do not lend themselves to quantitative measurement, yet these activities represent another level of success.

In conjunction with the implementation of an effective procurement planning discipline (see Section A), negotiated goals promise to be more realistic than they are at present.

To-Be Environment

High Level Commitment. The proposed goal setting process is a top-down approach starting with the Secretary of Commerce issuing a policy memorandum Department-wide giving support for the goal to enhance procurement opportunities for small, small disadvantaged, and women-owned businesses (See Attachment C for sample policy letter.). High-level commitment will underscore the importance of the goal setting effort. To demonstrate this strong commitment, senior executives from Commerce and heads of each operating unit will also sign a Management Commitment document. (See Attachment C.)

Following the Secretary's lead, Bureau Heads will, in turn, issue internal correspondence to line offices or directorates endorsing and demonstrating commitment for the Department policy. This endorsement should result in program managers' working more diligently with the SBS and acquisition personnel in setting higher goals and achieving higher small business accomplishments.

The following table suggests a possible pattern for the issuance of commitment letters reinforcing the importance of socioeconomic goals, along with a description of the contents of the communications.

SCHEDULE FOR PUBLICATION OF COMMITMENT LETTERS	
Timing	**Author and Content**
July	Secretary of Commerce requests input to socioeconomic goal setting process, stressing importance of goals and the responsibility of all employees to support them.
October	The Commerce Senior Procurement Executive identifies the variety of sources that program managers and procurement personnel can use to identify suitable small businesses and provides an overview of departmental programs that support small business utilization.
December	The Director of OSDBU reports on the prior year's accomplishments in terms of achieving Commerce's socioeconomic goals and provides a description and schedule for outreach programs designed to bring contracting and program staff into contact with small businesses interested in doing business with the Department.
February	The Secretary announces awards to outstanding small businesses and recognizes operating unit accomplishments (see Section E).
February	The Director of OSDBU issues the first quarterly report on progress toward meeting the current year's small business goals.
March	The heads of operating units publicize employees or groups of employees who have been recognized for contributions to Commerce's socioeconomic goals (see Section E).
July	The Commerce Senior Procurement Executive issues a status report summarizing progress toward meeting small business goals and reminds staff of the importance of the Department's socioeconomic goals and the consideration of small businesses during the end-of-year procurement activity.

Goals Specific to Operating Unit. Each operating unit within Commerce will be responsible for establishing its goals and negotiating those goals with OSDBU. Being involved in the goal setting process will result in greater "buy-in" on the part of the operating unit as well as goals which take into account its mission, environment, and planned acquisitions.

Goals will be two-tiered:

- Base goals to be submitted to SBA, and

- Internal Commerce "stretch" goals which will be more difficult to achieve

Goals will also be formulated on a two-year cycle: current year and projected out one year. See Attachment C for a proposed format for operating units to use in submitting its socioeconomic SB Goals. In addition, bureaus are required to list their ten upcoming acquisitions for each year

as well as any proposed acquisitions in excess of $10 million. (See Attachment C for a suggested format for listing upcoming acquisitions). This allows for a comparison with procurement planning system information (see Section A). The following table and subsequent process flowchart document the responsibilities for the proposed goal setting process:

Person/Office	Content
Secretary of Commerce	• Issues policy statement Department-wide stating support of the goal to enhance procurement opportunities for small, small disadvantaged, and women-owned businesses. • Includes accomplishment of small business goals in strategic plans. • Discusses regularly at Executive Management Team (EMT) meetings.
Secretary or Deputy Secretary	• On July 15, solicits operating unit input for SBA socioeconomic business goals with a submission deadline of August 15. • Attaches chart entitled "Proposed Socioeconomic Small Business Goals."
Operating Unit Heads	• Issue internal correspondence to line offices or directorates endorsing and demonstrating commitment and Departmental policy. • To assist in establishing their goals, suggest that managers utilize historical goals and accomplishments along with knowledge of budget and upcoming acquisitions from the Procurement Planning System plan submitted in July to the acquisition office. • Include accomplishment of small business goals in strategic and operational plans.
Operating Unit Heads (or designee)	• Work with OSDBU to review, negotiate, and agree to goals for each operating unit by September 1. If consensus is not reached, OSDBU makes the final decision.
OSDBU	• Prepares socioeconomic goal letter to operating unit heads by October 1 for Commerce and operating units to be signed by the Secretary or the Deputy Secretary with copies to operating units. Includes SBA goals and Departmental *stretch* goals. • By November 1 prepares letter to SBA for Commerce's goals for the next fiscal year. • Provides quarterly accomplishments to Operating Unit Heads.
Operating Units	• OSDBU, the HCO, and the SBS work with contract and acquisition teams to educate program managers in the process.

Person/Office	Content
	• Make quarterly reports of progress to Operating Unit Head/Commerce using data from CPDS (received from OSDBU). • During the year, if it becomes apparent that the operating unit will not be able to reach its goal, the OSDBU Director will entertain a request to renegotiate the goal.
Secretary of Commerce and OSDBU	• In a timely manner, recognize operating units and small businesses for their accomplishments.

Setting Small Business Goals
Department of Commerce

SECRETARY or DEPUTY SECRETARY

Solicit Bureau Input to Goals

July 15

Issue Goal Letter to Bureaus

Sep 1

BUREAUS

Propose Goals Based on Procurement Plan

Aug 15

Negotiate and Finalize Goals

Prepare Quarterly Reports

OSDBU

Prepare Goal Letter for Secretary

Negotiate and Finalize Goals

Nov 1

SBA Notification

Prepare Quarterly Reports
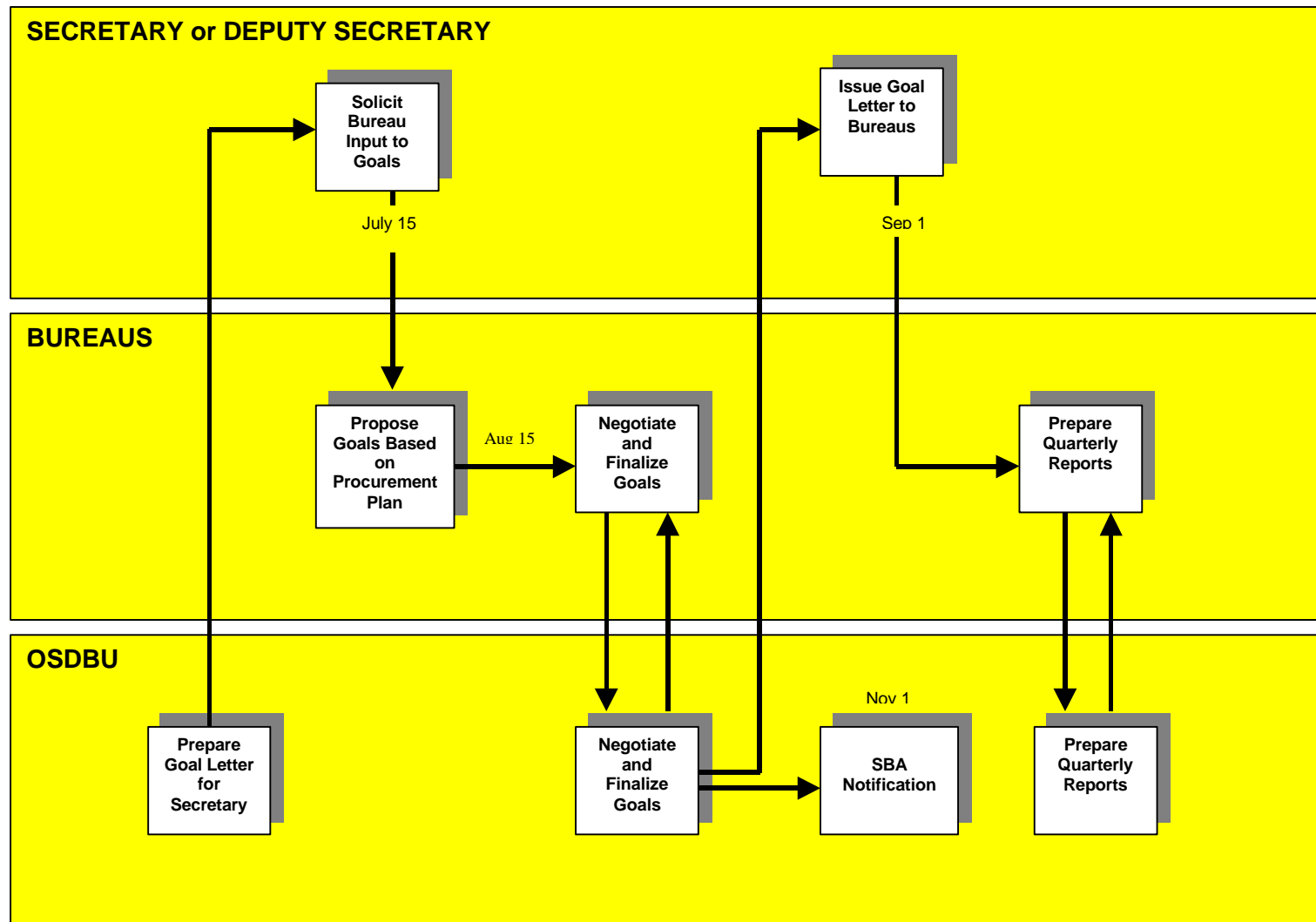
Implementation

Implementation of this recommendation is reasonably straightforward. OSDBU will assume responsibility for assuring that all implementation actions are completed. The greatest schedule risk is probably associated with obtaining the necessary clearances and signatures for putting the redesigned process in place. The most important consideration is that the redesigned process be in place for the FY2000 goal setting process which will begin in mid-June 1999.

GOAL SETTING: IMPLEMENTATION SCHEDULE			
Activity	**Duration**	**Start**	**End**
Summary: Socioeconomic Goal Setting	22.4wks	1/11/99	6/15/99
Draft DAO, Procedures, etc.	8.0wks	1/11/99	3/5/99
Draft Transmittal Memo and Get Signature	4.0wks	3/8/99	4/20/99
Draft Talking Points for EMT Meeting	0.4wks	3/8/99	3/9/99
EMT Meeting	0.0wks	3/9/99	3/9/99
Meet w/CFOs, HCOs, et. al.	8.0wks	4/21/99	6/15/99
Procedures in Place for FY 2000 Goal Setting	0.0wks	6/15/99	6/15/99
Issue FY2000 Goal Call Letter	0.0wks	6/15/99	6/15/99

Risk Assessment

GOAL SETTING: RISK ASSESSMENT	
Risk Area	**Risk Level**
Technical	None
Staff Availability	Medium
Schedule	Medium
Funding	Low

Cost

Costs are expected to be minimal. Recommendation can be implemented using existing OSDBU staff.

J.   INTERNET ACCESS

Redesign and Coordinate Internet Access for Small and Disadvantaged Business

Current Environment

Small Business Contracting Opportunities. The Internet has an enormous potential to serve as an efficient mechanism for communications between the Department and existing or potential small business contractors. Nearly every operating unit has established a home page on the Internet that contains links to other pages. Many of the web pages appear to be reasonably effective in communicating program information to agency clients, basic administrative information such as employment opportunities, unrestricted competitive acquisition actions, and basic information to the occasional visitor.

The re-engineering team examined organization web pages from two main perspectives:

- That of a small business interested in learning about procurement opportunities within the Department; and

- That of a program manager, contract specialist, or SBS who wants to identify small businesses that could be used as contractors to satisfy an acquisition need.

The results of this review are not encouraging. The Commerce home page can be confusing to a small business unfamiliar with government jargon.

The Team also reviewed operating unit web sites within the Department with much the same result. Some examples of the inadequacy of the Internet page structure, linkages and designs include:

- OSDBU's web site requires the contractor to be familiar with Standard Industrial Classification (SIC) codes before accessing any information. Even if the visitor has this familiarity, team members familiar with the site (and the SIC codes) found serious accuracy problems.

- The Minority Business Development Agency's (MBDA) web site could not be used to identify qualified small businesses under even a very broad search query (Management Consulting).

- The Commerce Business Daily (CBD) web site, though searchable by program topics, presumes the visitor has an extensive command of government jargon. Equally serious at the CBD web site is the lack of front end qualifiers such as location or size of contract that might allow a business to isolate and focus on opportunities of the proper size and geographic locations where the business has a presence.

The opposite situation exists when a program manager, contract specialist or small business specialist needs to identify small businesses that may be qualified to satisfy a procurement need. Without a past performance database of information (see Section K), persons involved in a Commerce procurement have no Departmental Internet site available to give them a list of businesses they should considered. The Team also found problems with other Federal small business web sites. For example, while the SBA web site provides a search engine that permits searching by topics such as "data entry," it cannot be searched on such topics as "Government Performance and Results Act (GPRA)." SBA's site also manifested accuracy problems with search results and limited abilities to identify firms in its database that were 8(a), as differentiated from other small businesses.

In summary, the current structure of most small business web sites — both inside and outside the Department — is neither designed to meet the needs of small businesses looking for contracting opportunities nor for government staff trying to identify small businesses to satisfy a program need. The extensive catalog of current deficiencies includes the following:

- Small business linkages among Commerce and operating unit web pages are not "user friendly." The current designs make it difficult for a small business to effectively identify contracting opportunities with Commerce operating units.

- Unsophisticated visitors are confronted by technical language and unfamiliar terminology that is confusing and intimidating.

- Search capabilities are confusing, limited, error prone, and unhelpful.

- Commerce web sites do not provide program or contracting staff with a direct source of information about small businesses that could satisfy acquisition needs.

Notifications and Communications. OSDBU's home page provides a link to a bulletin board where notices of meetings and other programs are posted to inform small businesses of upcoming events. In turn, these notices link to operating unit web sites where additional information is

available. While this works well once an Internet visitor arrives at OSDBU's home page, visitors starting at an operating unit's home page can't easily link to the OSDBU page.

Web Site Maintenance. Maintenance of web sites is not consistently performed throughout the Department. The result is an uneven patchwork of pages, some current and others outdated. Frequently, a visitor cannot determine whether a page is current or outdated. Such conditions reduce the credibility of the information presented and diminish the visitor's confidence in receiving accurate information.

Department of Justice Home Page. The Team examined the web sites of several other Federal agencies and concluded that one of the best is that of the Department of Justice. The basic content and features of this web site can be incorporated into that of the Department of Commerce with little modification, but doing so will greatly enhance the current structure and design.

Analysis

Bringing Buyer and Seller Together. Creating Internet web sites and home pages is no longer a difficult endeavor. What is difficult, however, is to create a user friendly environment of inter-related web sites through which a visitor can navigate quickly and easily to obtain the information desired. The Department's Internet must be capable of meeting the following objectives of small businesses and Commerce staff:

Small businesses want to quickly and accurately determine the answer to the following:

> "Is Commerce now or in the future seeking to buy my product or service in a quantity that I can make a profit? If so, how do I make my credentials and availability known to the decision makers?"

A number of recommendations in this report contribute to making the Internet a valued site to small businesses wanting information about Commerce acquisitions. Specifically, the procurement planning system (see Section A) should ensure that upcoming acquisitions are known in advance. Similarly, full time Small Business Specialists (see Section C) will provide on-site information and updated lists of planned acquisitions to be included on the web site.

Vendor Outreach. Currently, small businesses must periodically review home pages of both OSDBU and operating units to become informed of upcoming Commerce acquisitions, meetings and other activities. A considerably more effective mechanism for keeping interested parties informed is through the use of "push" technology, a mailing list service that automatically notifies subscribers to Commerce web information that may be of interest. This capability should be implemented in tandem with the individual initiatives described in Vendor Outreach (see Section H).

Past Performance Database. Commerce program managers want to quickly and accurately determine the following:

> "Are there one or more small businesses with a proven track record who are capable of meeting my needs in the time frame I require? If so, how do I find them and award a contract as quickly as possible?"

Section K, Past Performance Database, describes the importance of collecting information related to small business contractor performance and making it available to program staff in need of small business goods or services. By making the past performance database available to program and contracting staff *via* the Internet, the staff can quickly find out which small businesses can meet the criteria mentioned above.

Small Business Web Site Sponsorship and Maintenance. OSDBU is ideally positioned to sponsor, design, and maintain the small business web pages. To perform these roles effectively will require the services of a contractor to create, update and maintain the web pages and links.

To-Be Environment

The future environment is, of course, electronic and Internet based.

Small Business Perspective. The home page of the Department and those of each operating unit has a prominent link entitled "Small Business Opportunities." A click of the button transfers the visitor to the OSDBU home page. The menu on the OSDBU site provides access to a variety of information resources, including planned procurements, instructions on how to do business with the Department (and the Federal government), notices of vendor outreach programs, CBD

notices, and the like[2]. Key word or full text searching capabilities, including Boolean operations, enable the visitor to frame and refine increasingly narrow questions about contracting opportunities in order to eliminate those of little or no interest. A small synopsis of each procurement opportunity provides information about the nature of the procurement, timing, size, contacts, etc. If the visitor desires additional information, a hyperlink transfers him or her back to the operating unit's acquisition page where more detailed information is available.

Small businesses are able to review news releases and other bulletin board postings from OSDBU related to a variety of vendor outreach programs (see Section H). The small business may be placed on an mailing list (listserv) to receive future notices via E-mail. Other options such as "push" or "broadcast"' services may also be available.

If a small business is interested in one or more acquisitions, the option of sending a message (with attachments describing the business' capabilities) can be directed to the appropriate Small Business Specialist.

Program, Contracting and SBS Staff Perspective. The primary enhancement of the improved Internet service to program staff is the availability of past performance information (see Section K). The past performance database gives the in-house staff the capability of searching a database of small businesses to identify those that have provided goods or services in the past and may be able to satisfy a current acquisition need. A full text database search engine allows complex queries, retrieval, and identification of any businesses that provide the desired services with a minimum threshold evaluation ranking determined by the searcher. The search results provide the searcher with all relevant information about the business as well as the name(s) of COTR(s) who performed the evaluation.

OSDBU Perspective. OSDBU staff, including the "local" Small Business Specialists (see Section C), monitor the procurement plans (see Section A) and activities of Commerce operating units to ensure that planned acquisitions are appropriately reflected on the OSDBU website. In addition, OSDBU summarizes vendor outreach programs (see Section K) and coordinates the scheduling of them. Web pages are also used to promote the small business award program (see Section E).

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[2] OSDBU's current home page already has an extensive array of related pages. Still others can be added following the Department of Justice home page model.

OSDBU staff also make certain that the past performance database is routinely updated with new evaluations submitted by program COTRs.

OSDBU manages a contractor who has responsibility for modifying, updating and maintaining its web site and ensuring that appropriate links are established elsewhere on the Internet.

Implementation

A two step implementation strategy is proposed.

The first stage is designed to achieve a quick success by implementing an OSDBU home page that is modeled after the Department of Justice home page. The Justice model has several advantages over the current home page structure and can be easily converted to serve the needs of Commerce at a minor cost.

The second stage anticipates the award of a contract to a web page contractor who will be responsible for expanding the interim solution, updating and implementing additional capabilities, and integrating the OSDBU home pages with the search capabilities required for selecting contracting opportunities and identifying successful small business past performers. Subsequently, web site maintenance will be an ongoing effort.

Activity	Duration	Start	End
Summary: Internet Access - Interim	**10wks**	**1/1/99**	**3/11/99**
Assemble Short Term Design Team	2wks	1/1/99	1/14/99
Roll Out Interim Home Page(s)	8wks	1/15/99	3/11/99
Summary: Internet Access - Full Implementation	**88wks**	**1/1/99**	**9/7/00**
Develop SOW	4wks	1/1/99	1/28/99
Determine Contract Vehicle	4wks	1/1/99	1/28/99
Select Contractor	3wks	1/29/99	2/18/99
Contractor Interviews/Focus Groups	16wks	2/19/99	6/10/99
Contract Development of Web Pages	20wks	3/5/99	7/22/99
Prepare Briefing for Commerce Executives	8wks	2/19/99	4/15/99
Prepare Draft Report of Recommendations	12wks	2/19/99	5/13/99
Deliver Final Report of Recommendations	2wks	5/14/99	5/27/99
Roll Out New Home Pages	20wks	3/19/99	8/5/99
Implement Past Performance Access	7wks	7/5/99	8/20/99
Implement Vendor Outreach Board	7wks	7/21/00	9/7/00
Implement Contract Opportunities Page	7wks	2/28/00	4/14/00
Start Home Page Maintenance	0wks	3/19/99	3/19/99

Risk Assessment

Risk Factor		Risk Assessment
Technical		Low
Schedule:	Full implementation is dependent upon the implementation of other recommendations such as the past performance database, vendor outreach programs, and the procurement planning capability.	Medium
Cost:	Initial development of the web pages will be the most costly effort. Maintenance of the installation will be of modest costs.	Low
Security:	Security considerations are minimal. Access to past performance data must be limited to Commerce employees — not available to the general public.	Low

Cost

(1) Implementation of the interim solution using the Department of Justice model seems straightforward. This can be accomplished as part of the APC effort.

(2) Development of the final capability is estimated to require less than $100,000.

(3) Maintenance and Update: $50,000 per year.

K. PAST PERFORMANCE DATABASE

Establish a Past Performance Database of Small Business Contractors

Current Environment

Federal Acquisition Regulation (FAR) 42.1502 requires that Departments and other Federal agencies collect performance information on contracts greater than $100,000 at the time of contract completion, or for contracts of longer duration, at interim periods such as at the time of exercise of options. At a minimum, performance information must be collected annually. COTRs usually make the evaluations, which include the following: contract number, value, award date, completion date, type of contract, and a description of the requirement. In the Department of Commerce (based on a Census Bureau example), contractor performance is rated on a scale of 1-5 (5 = outstanding) against the following criteria:

- Quality

- Cost Control

- Timeliness of Performance

- Business Relations

- Customer (End User) Satisfaction

Contracting agencies provide contractors with a copy of the evaluation. Contractors then have an opportunity to comment on or challenge the ratings. Afterwards, each evaluation becomes part of the past performance record for an individual contract and contractor.

In theory, Government entities share this information with others in order to use past performance information in making decisions on new acquisitions. In practice, this expectation has not been met.

The FAR requirement for evaluation of contractor performance is not strictly enforced. Even when performance reports are prepared, they are maintained by the receiving contracting office as an unorganized set of paper records. In these circumstances, the likelihood of obtaining information from the past performance evaluation reports is remote. Within Commerce, the possibility of sharing the information with another agency is nonexistent, defeating the intent of FAR 42.1502.

Program staff and contract specialists are unable to easily obtain information about small businesses that may be capable of satisfying a need. As a result, they are reluctant to use small businesses because there is no established track record. Instead, there is a bias toward known qualified firms–which usually tend to be large businesses.

Other databases of small businesses accessible via the Internet (i.e. Pro-net and Phoenix), are occasionally useful in identifying small businesses and their capabilities, but neither provides information on past performance.

Analysis

The FAR requirement to capture past performance data and the need to identify successful small businesses should be complementary. If readily available, past performance data could be extremely beneficial in promoting the use of small, small disadvantaged, and women-owned businesses by providing a database of proven successful performers. Although collecting this data is a FAR and Commerce requirement, there is no uniform procedure for assembling the information and making it available to the Department's operating units. Because the Commerce past performance records are paper-based and unorganized, the current process provides little valuable information and is highly ineffective.

An automated system for collecting past performance data could function as a valuable tool for promoting small business interests by providing program staff access to a list of potential small businesses with ratings to consider as sources for necessary goods and services. Program staff who might otherwise hesitate to consider small, unknown businesses might be more inclined to consider those with high ratings if those ratings are available and from a reliable source.

Past performance information should be available on a Department-wide basis, enabling staff to review reports from all operating units. Likewise, past performance information should be readily accessible, possibly using a secure Internet site. Information should be retrievable and displayable in a variety of formats to simplify the identification of qualified small business contractors. Existing sources of past performance information such as Pro-net are not user friendly, cannot be effectively searched, and provide inconsistent results.

Several candidate COTS solutions under consideration by the Procurement Automation Team (PAT) collect and provide past performance information. The basic capabilities offered by these candidate systems should be fairly straightforward in providing information to a Commerce website search engine which can be utilized by authorized personnel.

The availability of past performance information will also facilitate the identification of small businesses that can be nominated for a Secretarial Award (see Section E).

To-Be Environment

Past Performance Data Base Operating Concept. Past performance data is entered by the COTR at time intervals specified by the FAR and Departmental policy. The COTR enters the following information:

- Small Business Name
- Type of Small Business (e.g., small, small disadvantaged, women-owned)
- Small Business Address
- Small Business Contact Person and Telephone Number
- Rating Period Characteristics (Final/Interim; from date/to date)
- Contract Number
- Contract Value
- Contract Award Date and Completion Date
- Contract Type
- Brief description of the goods or services provided by the small business
- Key words (selected from a list developed by OSDBU) that characterize the goods or services provided by the business
- Evaluation factors (e.g., Quality, Cost Control, Timeliness, Business Relations Customer Satisfaction) and assigned ratings on a scale of 1 to 5)
- Name and Telephone Number of COTR making the rating
- A suitable indication if the rating is being appealed by the business (or ratings may not be added to the past performance database if they are under appeal)
- Free form comments to enhance understanding of the firm's performance

Once the data has been entered and validated by the Procurement Automation COTS tool, it is automatically passed to an Internet server accessible by authorized Commerce staff. Data is parsed and loaded into a full text search engine, where it remains until a predetermined expiration date passes, at which time the data is either deleted automatically or is otherwise removed from the past performance search database.

As small business contracting opportunities are identified during the acquisition cycle (see Sections A, B, etc.), program staff, contract specialists and SBS can access the past performance database and formulate queries designed to identify potential service providers. Multiple search strategies are supported, including Boolean, date restriction, etc. Search results display average (mean) scores along with the individual element ratings. Searchers have the option of weighting evaluation factors to refine the universe of qualifying firms, in which case a weighted average is calculated. Searchers may also specify the type of results to be displayed. Examples of search requests might include:

- A list of women-owned firms in Connecticut that provide key entry data capture services which have been used within the past two years.

- A list of small disadvantaged businesses in the Washington, D.C., metropolitan area who provide software development services and specialize in graphics manipulation that have received an average unweighted score above 4.25.

- A list of small businesses that specialize in providing web development services using Java.

The results of the searches can be a starting point in the process of identifying small businesses capable of satisfying the program need. Using information from the database, searchers can consult with those who prepared the performance reports to obtain additional information. Also, searchers can obtain the telephone number and the name of a contact within the small business to arrange for meetings or to receive other information about the company.

The ready availability of past performance information to program staff pursuing an acquisition provides them with an additional level of security in the knowledge that they are not being asked to consider a list of unknown companies with unknown capabilities. Instead, they receive a list of companies known within the Department whose performance can be further evaluated by interviewing the COTRs most knowledgeable.

In addition, when OSDBU needs to identify businesses to be considered for nomination for a Secretarial Award (see Section E), the past performance database search engine allows staff to retrieve a list of all firms that achieved an average score in excess of 4.5, 4.75, etc. By applying such threshhold criteria, OSDBU is able to reduce the number of potential nominees to a final list of nominees easily and quickly.

Roles and Responsibilities.

Past Performance Database Roles and Responsibilities	
PARTICIPANT	**ROLE/RESPONSIBILITY**
Procurement Staff/SBS	• Provide guidance on proper completion and use of the automated system.
Program Manager/COTR	• Enter past performance information for each procurement into the Procurement Automation COTS system. • Use past performance database to identify small businesses suitable for upcoming contracting opportunities.
OSDBU	• Monitor the information to ensure that past performance is entered into the automated system. • Use past performance database to identify candidates for Secretarial small business awards (see Section E).
To Be Determined	• Maintain Past Performance website.
Procurement Automation System	• Provide for the orderly transfer of past performance data to the past performance database web server.

Implementation

Implementation of the web-based past performance database is dependent upon the award and tailoring of COTS software acquired through the Patent Automation initiative (see Section G) and the acquisition of contractor services to develop and maintain Commerce small business websites (see Section J). Postponements in either of these projects will result in a delay in the following schedule for past performance database implementation.

PAST PERFORMANCE DATABASE IMPLEMENTATION SCHEDULE			
Activity	**Duration**	**Start**	**End**
Summary: Past Performance Database	**22wks**	**1/31/99**	**7/2/99**
Award Procurement Automation Contract (See Section G)	0wks	1/31/99	1/31/99
Develop Past Performance Data Capture	6wks	2/1/99	3/12/99
Define Past Performance Database Requirements	6wks	3/15/99	4/23/99
Acquire Web Page Services (See Section J)	0wks	4/23/99	4/23/99
Develop Past Performance Database	8wks	4/26/99	6/18/99
Test Past Performance Database	2wks	6/21/99	7/2/99
Develop Maintenance Procedures	8wks	4/26/99	6/18/99
Deploy Past Performance Database	0wks	7/2/99	7/2/99

Risk Assessment

PAST PERFORMANCE DATABASE RISK ASSESSMENT		
Risk Area		**Risk Level**
Technical:	Technology and techniques for Internet based search engines and necessary database applications are current and readily available.	Low
Staff Availability:	Implementation staff can be drawn from outside OSDBU, which provides oversight and coordination only.	Low
Schedule:	Past Performance Database implementation is dependent upon Procurement Automation (see Section G) and Commerce Internet Enhancement (see Section J).	Medium
Budget:	Funds will be needed to pay a contractor to develop Past Performance data collection mechanisms (see Section G) and Internet Enhancements (see Section J). Funding requirements should be modest.	Low
Legal:	Assurance is needed that the use of past performance data as envisioned raises no legal issues.	Low

Cost

Contractor Services: Past Performance Data Capture	Less than $30,000
Contractor Services: Web Site Search Capability	Less than $50,000
Web Server	Negligible
TOTAL	Less than $80,000

L.   MENTORING PROGRAM

Mentor Small Businesses to Promote Outstanding Performance and Continued Availability

Current Environment

Mentoring programs can take many forms. At their very core, however, successful mentoring programs have the following objectives:

- To provide guidance and support to small businesses that have won Federal contracts so that those businesses can perform in an outstanding fashion. In pursuing this objective, the mentor provides feedback to the small business contractor based on objective evaluations of the contractor's performance. Mentors are often a prime contractor or a government employee such as the COTR or a representative from the contracting staff. In conjunction with feedback, constructive suggestions for improving performance provide the small business contractor with insight on how to correct deficient performance. The cycle of performance assessment/suggestions for improving performance has the effect of reinforcing and institutionalizing positive results from the contractor.

- Small businesses that exit preference programs typically do so out of a desire to grow in size by taking on additional work from the government. Unfortunately, these small business are often unprepared to successfully compete in fully competitive acquisitions. They lack familiarity with the structure of solicitation documents and frequently have little understanding of how to formulate their proposals in a way that is fully responsive to the government's requirements, evaluation factors and evaluation methodologies that appear respectively in Sections C, L and M of a solicitation document. The inexperience of small businesses in this area can be contrasted to large businesses which have permanent staff with a thorough understanding of the characteristics of a well prepared and organized proposal because they do nothing but assist in developing them. An effective mentoring program must address the needs of small businesses in this area.

OSDBU has no formal program designed to mentor and provide advice or guidance to small businesses. Commerce's Minority Business Development Administration (MBDA) has

developed some programs geared to educating small businesses on strategies and tactics for successfully competing for Federal contracts.

Analysis

Mentoring programs have been designed and successfully implemented by other Federal agencies, including the National Aeronautics and Space Administration (NASA) and the Department of the Treasury. Not only can the mentoring programs of these agencies serve as a useful model for Commerce's own mentoring program, but Commerce can take immediate advantage of other agencies' programs by establishing cooperative partnerships with them.

At its option, Commerce may determine that such cooperative arrangements are sufficiently effective that it need not establish its own mentoring program.

To-Be Environment

The Team believes that implementing the following programs would result in effective mentoring at Commerce.

Mentor-Protégé Program. The OSDBU should establish a mentor-protégé program based on the design of the NASA Mentor-Protégé program. The overall objective of this program is to increase the participation of small, small disadvantaged and women-owned businesses (SDBs) in agency contracts and subcontracts. Open to both large and small businesses who are prime contractors, the program works to develop long-term business relationships between SDBs and major prime contractors. Prime contractors receive incentives to assist SDBs in enhancing their capabilities to perform agency contracts and subcontracts. NASA published its Mentor-Protégé Program as a final rule in the Federal Register in 1995. Currently, the program is still in its pilot phase.

In full and open competition, each solicitation for cost plus award fee contracts includes a clause for the mentoring program. Offerors include their plans for development and mentoring of SDBs which include women-owned and Historically Black Colleges and Universities (HBCUs). The primary emphasis of the plan is on the high-tech assistance element but can also include business management and marketing. During the evaluation, such plans are considered a strength in the

proposal. (Note: Costs related to the training and development are allowable under FAR Part 31).

The OSDBU participates in the evaluation phase and reviews the plans for approval or disapproval. After award, on a semi-annual basis, the contractors report to OSDBU on the progress and the improved performance of the SDB. These reports document the business activity of the SDB, including the number of prime contracts, any increase in subcontracts, and any other new business. OSDBU reviews these improvements against the OSDBU approved agreement. Also, the agency technical point of contact makes quarterly reports on the contractor performance to OSDBU.

OSDBU uses these two sets of reports to compile information to determine the winner of the annual Goldin/Stokes Mentor Protégé Award.

Prime Contractor's Roundtable. The Prime Contractor's Roundtable, modeled after another NASA program, facilitates an exchange between prime contractors on workable subcontracting programs for Small Disadvantaged Businesses. Prime contractors, with unique and productive initiatives to promote utilizing SDB's, share information with other prime contractors having problems in utilizing SDB's. The roundtable meets three times a year with group membership rotating on an annual basis.

Entrepreneurial Training and Technical Assistance Program (ETTAP). In this program, modeled after a Department of Transportation program, the OSDBU administers the Entrepreneurial Training and Technical Assistance Program (ETTAP) through Partnership Agreements with Minority Educational Institutions (MEIs), which include historically black colleges and universities, Hispanic serving institutions and tribal colleges. The program combines the efforts of MEIs, government, and the private sector to focus on providing transportation-related assistance and procurement information to small, women-owned and disadvantaged businesses. Further, the program provides training and development to students in fields related to Commerce operating unit activities through internships and fostering interdisciplinary opportunities for students in the field of transportation. The program focuses on the following three areas: (1) Training/technical assistance on the use of and access to Electronic Commerce and the Internet; (2) High-technology related student internships; (3) Information dissemination and outreach activities.

BusinessLINC — Learning, Information, Networking and Collaboration. Under this program, Commerce partners with the Department of the Treasury and its efforts to encourage

large businesses to work with locally-owned small businesses in distressed communities. For minority and women-owned small businesses and small businesses in economically distressed areas of inner cities and rural areas, the program improves access to the network of information, resources, experience and personal contacts available to larger businesses. Access to these resources permits these businesses to compete effectively in the marketplace.   The range of services from business-to-business advisory programs includes classroom teaching, one-on-one technical assistance, peer groups and advisory boards, and supplier development programs. These programs benefit small firms by providing technical advice, improved market and financial access, increased credibility, expansion possibilities, and personal advice to business owners.

BusinessLINC is one component of the Vice President's year-long effort to highlight the importance of business investment in cities and distressed areas. BusinessLINC plans to host a series of regional meetings across the country, each focusing on a different business-to-business strategy. The meetings, with representatives from small and large businesses as well as community members, is designed to gather and disseminate information in the area. At the conclusion of the meetings, BusinessLINC compiles a report for review by a small group of CEOs with expertise in this area. The report, which will be presented to the Vice President and available for wide distribution, focuses on the best use of Federal government programs in this area, the best business linkage and mentoring programs, and how best to move forward to stimulate more business-to-business linkages.

Implementation

Activity	Duration	Start	End
Summary: Mentor Small Business Contractors	**82wks**	**1/1/99**	**7/27/00**
Summary: Mentor/Protege Programs	**9wks**	**1/1/99**	**3/4/99**
Establish Agreement with NASA/NOAA	3wks	1/1/99	1/21/99
Explore Other Agencies' Mentoring Programs	6wks	1/1/99	2/11/99
Establish Agreements with Other Agencies	3wks	2/12/99	3/4/99
Summary: Contractor's Roundtable	**82wks**	**1/1/99**	**7/27/00**
Observe NASA Roundtable Meeting	4wks	1/1/99	1/28/99
Increase OSDBU Staff to Support Effort	16wks	1/1/99	4/22/99
Obtain Updated List of Prime Contractors	12wks	4/23/99	7/15/99
Set Up First Meeting	2wks	7/16/99	7/29/99

Activity	Duration	Start	End
Conduct First Meeting	0wks	7/29/99	7/29/99
Evaluate Meeting Results	52wks	7/30/99	7/27/00
Summary: Training and Technical Assistance	**68wks**	**1/1/99**	**4/20/00**
Review Existing MBDA Programs	4wks	1/1/99	1/28/99
Develop Commerce-Specific Programs	4wks	1/29/99	2/25/99
Coordinate with MBDA	8wks	1/1/99	2/25/99
Work with MBDA to Develop Program	24wks	1/29/99	7/15/99
Review Other Agency Programs	4wks	1/29/99	2/25/99
Participate in MDBA Programs	24wks	2/26/99	8/12/99
Develop OSDBU Programs	24wks	2/26/99	8/12/99
Establish List of Minority Educational Institutions	2wks	1/29/99	2/11/99
Sponsor First Event	24wks	7/16/99	12/30/99
Develop Reporting System, Success Stories	36wks	8/13/99	4/20/00

Risk Assessment

Risk Factor	Risk
Technical	Low
Schedule	Low

Cost

Costs of developing a mentoring program should be modest. There are a number of comparable programs that have been established in other Federal agencies that may be used as models. Implementation assumes the availability of existing personnel to assume responsibility for scheduling facilities and participants.

M.   ADMINISTRATIVE & ORGANIZATIONAL ORDERS, POLICIES AND MANUALS

Revise Administrative and Organization Orders, Policies and Manuals

Current Environment

A variety of documents set forth Commerce policies and procedures in various ways. For example, Department Organization Orders (DOO) establish organizational structures and define the responsibilities of each organization. Department Administrative Orders (DAO) establish Department-wide policies and procedures that govern the execution of Department programs.

Maintenance of Organization and Administrative Orders, along with the maintenance of procurement-specific documents affected by evolving procurement law, regulation and policy, is a significant overhead activity. Maintenance requires a committed staff who thoughtfully consider the content of the documents within the context of laws, rules and regulations. As these important documents are revised, they go through an extended period of review and comment by many parties before approval.

Many of these critical statements of policy and procedure are outdated and fail to adequately reflect the current priorities, policies and goals of the Department of Commerce. Certainly, most documents fail to adequately address the formulation and execution of the Department's socioeconomic programs and policies.

The table on the following pages includes various orders and other departmental policy documents, their current condition, the responsible organization, and the Team's suggestions or comments on the need for action.

APPLICABLE ADMINISTRATIVE AND OTHER ORDERS, DOCUMENTS AND POLICIES					
Document Type	**No.**	**Effect Date***	**Subject**	**Office of Primary Interest**	**Comment**
CAR (Commerce Acquisition Regulation)		Mid 1980s	CAR is Commerce's supplement to the Federal Acquisition Regulation (FAR)	OAM**	Revise to cover SB advocacy which impacts the public (Acquisition planning; past performance; source selection criteria and plans; award fee plans)
DAO Note: DAOs with a "208" prefix denote those issued by OAM**	208-0	1/28/87	DOC Handbook & Manual	OAM**	Commerce Acquisition Manual (CAM) (Various Parts including Acquisition Planning, Source Selection, as Award Fee element under CPAFs)
	208-3	10-9-84	Major Systems	OAM**	May want to address SB advocacy up front
		9-18-86	Amendment 1		
	208-5	10-9-84	Contract Review and Approval Requirements	OAM**	Consider Inclusion of SB advocacy
		2-1-85	Amendment 1		
		11-10-86	Amendment 2		
		3-24-88	Amendment 3		
	208-10	1-1-95	Management of Contracted Services	OAM**	Should provide for SB advocacy; OSDBU Director inclusion on DOC Review Board
	208-15	1-6-88	Procurement Planning System	OAM**	SB Advocacy on each procurement
		8-25-95	Amendment 1		
DAO	200-0	9/98, (rev. 1995)	IT Information Handbook - Chapters on Consolidated Requirements and Acquisition Initiative	CIO (at DOC)	SB Advocacy should be included. (For IT requirements over $10M CRAI can sub for Individual Acquisition Plans)
Various Procedures and HCO memos	n/a	varies	Various documents (see OAM website) relating to acquisition planning.	OAM**	To extent these won't be incorporated into CAR & CAM, DAO, revise to incl. SB advocacy
OAM** Webpage	n/a		CONOPS - Case for Change, etc		Review to ensure sufficient SB advocacy. E.g., for acquisition

APPLICABLE ADMINISTRATIVE AND OTHER ORDERS, DOCUMENTS AND POLICIES					
Document Type	**No.**	**Effect Date***	**Subject**	**Office of Primary Interest**	**Comment**
					teams should include small business specialist.
Operating Unit IT Strategic Plans and Operating Plans	Each Op Unit to DOC IT		Annual Op Plans	CIO (at DOC)	"Loose" Acquisition. Requirements at best. Consider how SB advocacy could be included. Only IT.
ITRB Info Tech Review Board (DOC's is CITRB w/Op Unit Equivalents)	Each Op Unit to establish own Board for IT Require-ments	Some boards exist	Boards review proposed IT requirements. Multi-disciplinary senior management officials approve or disapprove.	CIO (at DOC)	Should consider proposed SB utilization in acquisition strategy
IPPB (Integrated Policy, Planning and Budgeting)	Budget (?)	future	Oral Concept - Off-site planned next month for Senior IT, Budget, and Acquisition Officials		Consider how SB advocacy should tie in early in the process

* Some dates may not be the most current due to the team's limited time for research.

**OAM denotes Office of Acquisition Management or predecessor organization.

Analysis

The consequences of failure to maintain up-to-date administrative and organization orders and instructions are neither immediate nor obvious. The absence of firmly based, clearly expressed, departmental policy and procedure provides an opportunity for shaded interpretation of those policies and procedures and raises the possibility of circumvention. It becomes difficult to require compliance with all elements of Departmental policy if some elements have become outdated or inapplicable as a result of external changes. As documents become increasingly outdated, compliance becomes less and less likely. Operating units may look to laws and the formulations of external agencies (e.g., GSA and the Federal Acquisition Regulations), and establish their own internal procedures to assure compliance, overlooking Departmental intent.

The reengineering team has made twelve broad recommendations to achieve its objectives. Implementation of any of these should be reflected by revisions to the appropriate Departmental orders, policy and procedural documents. Even if none of the twelve recommendations is implemented, current Departmental instructions do not adequately reflect the Department's socioeconomic goals or programs.

Updating and maintaining the Department's internal policy and procedural documentation is a formidable process. Yet, updating elements related to socioeconomic policies is only one part of the effort. Though its recommendation considers only those documents addressing socioeconomic programs, policies and procedures, the team concludes that a comprehensive effort should be made to review and revise all forms of Departmental instructions and policies that operating units are expected to follow.

The Team's suggestions for updating documents related to socioeconomic goals is part of the table in the "Current Environment" section of this recommended action.

To-Be Environment

The to-be environment is conceptually simple, though it promises to be enormously difficult and time consuming to achieve.

All related Departmental administrative and organization orders, documented policies and instructions reflect the Department's commitment to socioeconomic goals and clearly assign responsibilities for achieving those goals. Moreover, Department-wide programs are clearly supported by administrative orders and manuals that reflect Departmental socioeconomic goals and strategies for their attainment. All documents are regularly revised and updated to reflect changes to law and regulation and to the organization structures of the Department.

In summary, the Team envisions the workplace wherein Departmental policy, organization, administrative directives and instructions are based in current law and rules. In turn, the Department's instructions provide operating units with a solid platform on which to base their own organization and operating procedures.

Implementation

Implementation of this recommendation is unrelated to any other recommendation. Indeed, failure to implement it will have little immediate effect upon the Department's socioeconomic programs, goals and practices. A possible implementation schedule is provided in the following table. If, as the team recommends, the articulation and maintenance of socioeconomic-related policies, organizational orders and instructions become part of a broader review and revision of all Department-wide controlling documentation, the schedule can be adjusted appropriately.

ORGANIZATION AND ADMINISTRATIVE ORDER REVISION SCHEDULE			
Activity	**Duration**	**Start**	**End**
Summary: DOO, DAO, Manual Revisions	**88wks**	**1/1/99**	**9/7/00**
Identify Documents to be Revised	8wks	1/1/99	2/25/99
Assign Revision Work	2wks	2/26/99	3/11/99
Begin Document Revision Process	0wks	3/11/99	3/11/99
Revise/Approve Documents	78wks	3/12/99	9/7/00
Begin Ongoing Document Maintenance	0wks	9/7/00	9/7/00

Risk Assessment

Risk Area		Risk Level
Technical		None
Staff Availability:	Work will probably not be absorbed by existing staff. Additional employees (or contract staff) is likely to be needed to work full time on this effort.	High
Schedule:	Extensive review and approval process, changes to legislation and other factors increase the probability that proposed schedules will be difficult to meet.	High
Cost:	Funding to support additional contract or in-house staff will be required for implementation. Costs will be ongoing, inasmuch as revision or existing documents is only the beginning. Maintenance will require continued funding.	Medium

Cost

To revise socioeconomic related documents, the team estimates that two full time permanent employees are necessary for approximately one and one-half years at a cost of $55,000 per person per year, for a total of $165,000 (does not include cost of benefits). Future on-going revisions will require three-quarters of a staff person per year at a cost of approximately $35,000 per year.

IN-HOUSE REVISION		
Cost Item	**Initial Revision (18 months)**	**Maintenance (per year)**
Additional full time permanent employees, per year	$165,000	$35,000

If a contractor revises the documents, the Team estimates that one-half of a permanent employee's time will be spent managing the contract and reviewing deliverables at a cost of approximately $30,000 (does not include cost of benefits), plus contractor costs of $200,000. Future on-going revisions will require $20,000 for one-half of a full time employee's time and contractor costs of $50,000.

The cost of reviewing proposed documents is absorbed by existing staff at Departmental and operating unit levels.

CONTRACTED SERVICES FOR REVISION		
Cost Item	**(18 months)**	**(per year)**
Additional part time permanent employees (18 months) for supervision	$45,000	$20,000
Contractor Services	$200,000	$50,000
Annual Total	**$245,000**	**$70,000**

BUSINESS PROCESS REENGINEERING

FOR

ENHANCING CONTRACTING OPPORTUNITIES FOR SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED BUSINESSES

ATTACHMENTS

ATTACHMENT A: ACRONYMS

Acronym	Definition
APC	Automated Procurement Capability
BOC	Bureau of the Census
BPA	Blanket (or Basic) Purchasing Agreement
CAM	Commerce Acquisition Manual
CAMS	Commerce Administrative Management System
CAR	Commerce Acquisition Regulations
CBD	Commerce Business Daily
CFO	Chief Financial Officer
CFS	Core Financial System
CIO	Chief Information Officer
CITRB	Commerce Information Technology Review Board
CO	Contracting Officer
COO	Chief Operating Officer
COTR	Contracting Officer's Technical Representative
COTS	Commercial Off-The-Shelf Software
CPAF	Cost Plus Award Fee (type of contract)
CPDS	Commerce Procurement Data System
CPO	Chief Procurement Office (of the Department of Commerce)
CRAI	Consolidated Requirements and Acquisition Initiative
CTS	Commerce Tracking System
DAO	Department Administrative Order
DOC	Department of Commerce
DOO	Department Organization Order
EDI	Electronic Document Interchange
EEO	Equal Employment Opportunity
ETTAP	Entrepreneurial Training and Technical Assistance Program
FAR	Federal Acquisition Regulation
FPDS	Federal Procurement Data System
FY	Fiscal Year
GPRA	Government Performance and Results Acts
GSA	General Services Administration
GWAC	Government Wide Agency Contract
HBCU	Historically Black Colleges and Universities
HCO	Head Contracting Officer
HR	Human Resources
IPPB	Integrated Planning, Policy and Budgeting
IT	Information Technology

Acronym	Definition
ITRB	Information Technology Review Board
LINC	Learning, Information, Networking and Collaboration
MASC	Multiple Award Services Contract
MBDA	Minority Business Development Administration
MEI	Minority Educational Institutions
NASA	National Aeronautics and Space Administration
NIST	National Institutes of Science and Technology
NOAA	National Oceanic and Atmospheric Administration
OAM	Office of Acquisition Management (DOC)
OMB	Office of Management and Budget
OS (or O/S)	Office of the Secretary of Commerce
OSDBU	Office of Small and Disadvantaged Business Utilization
PAT	Procurement Automation Team
POS	Procurement Ordering System
PQC	Partners in Quality Contracting
PTO	Patent and Trademark Office
RFQ	Request for Quotation
SBA	Small Business Administration
SBS	Small Business Specialist
SDB	Small, Small-Disadvantaged and Woman-Owned Business
SIC	Standard Industrial Classification
SON	Statement of Need
SOW	Statement of Work
SPS	Small Purchase System
SW	Software
VOM	Vendor Outreach Meeting

ATTACHMENT B: REENGINEERING PARTICIPANTS

Empowered Team Members (Voting Members):

Members & Team Roles	Organization/Location
T.J. Garcia Director, Office of Small and Disadvantaged Business Utilization Team Leader	OSDBU Department of Commerce
Gisele Mohler Chief, ASAP Staff BPR Operations Manager	Acquisition Division Bureau of the Census
Nancy Barrere Procurement Analyst Stakeholder	Office of Acquisition Management (OAM) Department of Commerce
Brenda Black Women Owned Business Representative Stakeholder	OSDBU Department of Commerce
Paulette Dawson Computer Specialist Program & Policy Representative	Office of Information Policy & Technology Office of the Chief Information Officer Department of Commerce
John Linebarger COTR for R&D 2000 Stakeholder	Statistical Research Division Bureau of the Census
Kelli Frazier Contracting Officer Stakeholder	Acquisition Division PTO
Chantell Haskins NESDIS Liaison Stakeholder	Program Coordination Office NOAA

Members & Team Roles	Organization/Location
Ta Shunna Marshall Special Asst. To Deputy Director Liaison to Executive Sponsor	Office of the Director Bureau of the Census
Ina Merson Chief, ADP Contracts Branch Stakeholder	ACQ Mgmt. Division NOAA
Michael Nelson Acting Director, acquisition, Grant and Facilities Services Office Stakeholder	AGF NOAA
James Sullivan Management Analyst Program & Policy Representative	OBMI (Budget) Department of Commerce
Jacqueline Wilson Contracting Officer Stakeholder	Acquisition Division Bureau of the Census

Non-Voting Member(s):

Members & Team Roles	Organization/Location
L Liddle BPR Technical Expert	Private Contractor
June Bittinger ASAP Staff, Consultant Administrative Team Manager	Acquisition Division Bureau of the Census
Karen Daniels ASAP Staff, Program Assistant Scribe	Acquisition Division Bureau of the Census
Catherline Shea General Attorney Contract Law Office Program & Policy Representative	OGC (Legal) Department of Commerce

Advisors to Team:

Members & Team Roles	Organization/Location
Mike Sade Deputy Director, Office of Acquisition Management	Office of Acquisition Management Department of Commerce
Doug Clift, ACQ Chief, Acquisition Division	Acquisition Division Bureau of the Census
Andris Karlsons Head Contracting Officer	Procurement Office NOAA
Miguel Perez Assistant Division Chief for MIS Decennial	Budget Division Bureau of the Census
Bob Tinari Chief, CASRO	CASRO-SHSE

ATTACHMENT C: GOAL SETTING

- **COMMITMENT LETTER EXAMPLES**

- **PROPOSED SOCIOECONOMIC SMALL BUSINESS GOALS**

- **UPCOMING 10 ACQUISITIONS**

MEMORANDUM FOR SECRETARIAL OFFICERS
                                HEADS OF OPERATING UNITS
                                HEADS OF CONTRACTING OFFICES

FROM: William C. Daley

SUBJECT: Small Business Program

President Clinton and I believe that small businesses are the driving force of the economy. As
large businesses reorganize and downsize to remain competitive, small businesses continue to
develop and flourish. According to the U.S. Small Business Administration, women and
minorities are entering the small business community in ever-increasing numbers. My objective is
to clearly demonstrate Commerce's leadership in small business development as we enter the 21st
century.

Your leadership, knowledge, and innovation skills are needed to reach the objective. I am
requesting your personal commitment and assistance to increase the small business, especially
minority and women-owned business, goals and accomplishments to reflect measurable
improvement.

Small businesses are recognized as sources of constant experimentation and innovation. They are
leaders of technological change and productivity growth. Ninety-five percent of high-technology
firms have fewer than 500 employees, and 75 percent have fewer than 20 employees. By creating
contract opportunities for women and minorities in support of the Electronic Department for
example, we assist to open doors through which millions of Americans can enter the economic
and social mainstream.

The Commerce mission is to promote job creation, economic growth, sustainable development
and improved living standards for all Americans, by working in partnership with business,
universities, communities, and workers. We must promote the use of small businesses because
they offer unequaled advantages, generate competition, create jobs, and lower overall costs.

Small businesses have proven to be competitive, flexible, responsive and innovative. They will
continue to assist the Department in fulfilling its mission, while making valuable contributions to
our Nation's economy. I look forward to seeing measurable improvement in our minority and
women-owned business accomplishments by the end of FY 1999, as compared to FY 1998. I
also expect all Commerce employees to support this program and maintain our leadership role in
economic development.

For additional information about our small business program, please contact Tlaloc J. Garcia,
Director, Office of Small and Disadvantaged Business Utilization, at 202.482.1472.

DEPARTMENT OF COMMERCE
MANAGEMENT'S COMMITMENT
TO
PROMOTE SMALL BUSINESS

Small businesses are a vital part of economic growth in this country. It is in the national interest to take appropriate steps to encourage small business development by expanding their access to information and business opportunities.

We, the undersigned, recognize the critical role that small, minority, and women-owned businesses play in the American and global economies. Our partnerships with small businesses make good business sense to the ultimate benefit of the Federal Government and all Americans. Accordingly, we commit to :

- make good faith efforts to increase business opportunities and goal accomplishments for small, minority, and women-owned businesses;

- identify and eliminate internal barriers to the maximum practicable use of small, minority, and women-owned businesses;

- be held accountable for achieving small business program goals as part of our formal performance plans;

- ensure the timely and accurate reporting of small purchase, prime, and subcontracting procurement data to determine small business program accomplishments; and

- devote the necessary resources to our respective small business specialists, procurement staff, and program personnel to carry out Commerce's Small Business Program.

_____ William M. Daley, Secretary _____

Under Secretary for Export Administration (BXA)	CFO and Assistant Secretary for Administration (ADMIN)
Under Secretary for Economic Affairs (ESA)	Assistant Secretary for Economic Development (EDA)
Under Secretary for International Trade (ITA)	Assistant Secretary for Communications and Information (NTIA)
Under Secretary for National Oceanic and Atmosphere Administration (NOAA)	Assistant Secretary and Commissioner of Patents and Trademarks (PTO)
Inspector General (OIG)	Minority Business Development Agency (MBDA)
Under Secretary for Technology (TA)	

Proposed Form for Socioeconomic Small Business Goals:

	FY 1997 Accomplishments	FY 1998 Goals	FY 1998 to Date Accomplishments	Proposed FY 1999 Baseline Goals	Proposed FY 1999 Stretch Goals	Projected FY 2000 Baseline Goals	Projected FY 2000 Stretch Goals
TOTAL PROC.	$ %	$ %	$ %	$ %	$ %	$ %	$ %
Direct Awards	$ %	$ %	$ %	$ %	$ %	$ %	$ %
Small Business	$ %	$ %	$ %	$ %	$ %	$ %	$ %
8 (a)	$ %	$ %	$ %	$ %	$ %	$ %	$ %
SDB	$ %	$ %	$ %	$ %	$ %	$ %	$ %
WOSB	$ %	$ %	$ %	$ %	$ %	$ %	$ %
Subcontract Awards	$ %	$ %	$ %	$ %	$ %	$ %	$ %
Small Business	$ %	$ %	$ %	$ %	$ %	$ %	$ %
SDB	$ %	$ %	$ %	$ %	$ %	$ %	$ %
WOSB	$ %	$ %	$ %	$ %	$ %	$ %	$ %

Upcoming Top 10 Acquisitions & All Acquisitions over $10,000,000

Directions: Please complete this form for each anticipated acquisition which fits the above criteria and include it with your proposed socioeconomic goals for the next fiscal year.

Data Element	Acquisition Information	
1. **Name of Operating Unit**		
2. **Program Office**		
3. **Program Manager**	Name: Title: Phone number:	
4. **Title of Acquisition**		
5. **SIC Code (URL)**		
6. **New or On-going Requirement**		
7. **Incumbent Contractor (if applicable)**	Name of Incumbent Major Subs, with respective business size) 1. 2.	
8. **Name of contracting office handling acquisition**		
9. **Size of acquisition with anticipated budget/obligation**		
10. **Period of Performance (POP)**	Proposed Start date: Proposed End date:	
11. **Type of Acquisition**	G Competitive	G Non-competitive
	G FOC G SB-set aside G 8(a)	
12. **Anticipated RFP/ Project Issue Date**		
13. **Potential Sources**	Potential SB Prime Candidates:	
14. **SBS Consultation**	Name: Date Consulted:	
15. **Subcontracting Opportunities for SB Involvement**	Major tasks/components:	
16. **Other steps taken to optimize SB Participation**	1. 2.	

ID	Task Name	Duration	Start	Finish	1999 / 2000
1	**Procurement Planning**	**561d**	**1/1/99**	**2/23/01**	
2	**Implement Interim Planning System**	**435d**	**1/1/99**	**8/31/00**	
3	Design Capability	4w	1/1/99	1/28/99	
4	Develop SW	16w	1/29/99	5/20/99	
5	Document Procedures	16w	2/19/99	6/10/99	
6	Implement: Census, NOAA, NIST	12w	6/11/99	9/2/99	
7	Initial Implementation Complete	0w	9/2/99	9/2/99	9/2
8	Enhance Basic Capabilities	52w	9/3/99	8/31/00	
9	**Implement Target Planning System**	**540d**	**1/31/99**	**2/23/01**	
10	Award Procurement Automation	0w	1/31/99	1/31/99	1/31
11	Implement Basic APC Capabilities	52w	2/1/99	1/28/00	
12	Define Target Requirements	8w	1/31/00	3/24/00	
13	Preliminary/Detailed Design	16w	3/27/00	7/14/00	
14	Code/Unit Test	16w	7/17/00	11/3/00	
15	Integration Testing	4w	11/6/00	12/1/00	
16	Roll Out: First Operating Unit	4w	12/4/00	12/29/00	
17	Roll Out: Remaining Operating Unit	8w	1/1/01	2/23/01	
18	**Performance/Commitment Agreements**	**145d**	**3/19/99**	**10/7/99**	
19	**Performance Plans**	**145d**	**3/19/99**	**10/7/99**	
20	Assemble Implementation Team	4w	3/19/99	4/15/99	
21	Draft Guidelines and Elements	6w	4/16/99	5/27/99	
22	Obtain Comments	30d	5/28/99	7/8/99	
23	Revise/Finalize Guidelines & Elements	30d	7/9/99	8/19/99	

ATTACHMENT D
BPR to Enhance Contracting Opportunities for Small Businesses
IMPLEMENTATION SCHEDULE

ID	Task Name	Duration	Start	Finish
24	Implement for Executives	2w	8/20/99	9/2/99
25	Dev. Op. Unit Implementation Plan	30d	7/23/99	9/2/99
26	Implement for Staff	4w	9/3/99	9/30/99
27	Coordinate with HR	29w	3/19/99	10/7/99
28	**Commitment Letters**	**60d**	**4/9/99**	**7/1/99**
29	Finalize Procedures	12w	4/9/99	7/1/99
30	Finalize Content	12w	4/9/99	7/1/99
31	Issue First Commitment Letter	0w	7/1/99	7/1/99
32	**Full Time SBS**	**175d**	**1/18/99**	**9/17/99**
33	Classify and Grade SBS Positions	9w	1/18/99	3/19/99
34	Orient HCO's, et. al.	9w	1/18/99	3/19/99
35	Advertise Positions	9w	3/22/99	5/21/99
36	Select SBS	9w	5/24/99	7/23/99
37	Full Time SBS On Board	4w	7/26/99	8/20/99
38	Train SBS	4w	8/23/99	9/17/99
39	**Training and Education**	**125d**	**1/1/99**	**6/24/99**
40	Develop Training SOW	30d	1/1/99	2/11/99
41	Select Small Business Training Contractor	30d	2/12/99	3/25/99
42	Develop Training Program and Materials	45d	3/26/99	5/27/99
43	Review Training Materials	2w	5/28/99	6/10/99
44	Schedule Training	2w	6/11/99	6/24/99
45	**Award Program**	**210d**	**8/27/99**	**6/15/00**
46	**Secretary's Small Business Award**	**130d**	**8/30/99**	**2/25/00**

December 18, 1998   *Page D-2*

ID	Task Name	Duration	Start	Finish	1999	2000
47	Define Procedures	12w	8/30/99	11/19/99		
48	Select HCO Award Panel	4w	11/22/99	12/17/99		
49	Select SB Candidates	4w	11/22/99	12/17/99		
50	Evaluation of Candidates	4w	12/20/99	1/14/00		
51	Recommendations to Secretary	2w	1/17/00	1/28/00		
52	OIG, Other Clearances	0.2w	12/20/99	12/20/99		
53	Secretary's Determination	4w	1/31/00	2/25/00		
54	Design Publicity Campaign	8w	1/3/00	2/25/00		
55	Announce First Sm. Business Award(s)	0w	2/25/00	2/25/00		2/25
56	**Secretary's Bureau Innovation Award**	**130d**	**8/27/99**	**2/25/00**		
57	Define Procedures	12w	8/27/99	11/18/99		
58	Select HCO Award Panel	4w	11/19/99	12/16/99		
59	Select SB Candidates	4w	11/19/99	12/16/99		
60	Evaluation of Candidates	4w	12/17/99	1/13/00		
61	Recommendations to Secretary	2w	1/14/00	1/27/00		
62	Secretary's Determination	4w	1/28/00	2/24/00		
63	Design Publicity Campaign	8w	12/31/99	2/24/00		
64	Announce First Agency Award	0w	2/25/00	2/25/00		2/25
65	**Secretary's Employee Award**	**130d**	**12/17/99**	**6/15/00**		
66	Define Procedures	12w	12/17/99	3/9/00		
67	Select HCO Award Panel	4w	3/10/00	4/6/00		
68	Select SB Candidates	4w	3/10/00	4/6/00		
69	Evaluation of Candidates	4w	4/7/00	5/4/00		

ID	Task Name	Duration	Start	Finish	1999 / 2000 Timeline
70	Recommendations to Secretary	2w	5/5/00	5/18/00	
71	Secretary's Determination	4w	5/19/00	6/15/00	
72	Design Publicity Campaign	8w	4/21/00	6/15/00	
73	Announce First Agency Award	0w	6/15/00	6/15/00	6/15
74	Coordinate with HR	12w	12/17/99	3/9/00	
75	**Multiple Award Contracts, GWACS, BPAs, etc**	**0.2w**	**1/1/99**	**1/1/99**	
76	**Automated Procurement Support**	**300d**	**1/31/99**	**3/24/00**	
77	**Procurement Automation Initiative**	**300d**	**1/31/99**	**3/24/00**	
78	Award Procur. Automation Contract	0w	1/31/99	1/31/99	1/31
79	Finalize Requirements	6w	2/15/99	3/26/99	
80	Select Test Organization	2w	2/1/99	2/12/99	
81	Preliminary/Detailed Design	12w	2/1/99	4/23/99	
82	Code/Unit Testing	16w	4/26/99	8/13/99	
83	Integration Testing	4w	8/16/99	9/10/99	
84	Training	4w	9/13/99	10/8/99	
85	Deploy Initial Testbed Capability	0w	10/8/99	10/8/99	10/8
86	Evaluate Test	24w	10/11/99	3/24/00	
87	Develop Deployment Plan	8w	1/31/00	3/24/00	
88	Begin Deployment	0w	3/24/00	3/24/00	3/24
89	**Replace CPDS**	**130d**	**1/31/99**	**7/30/99**	
90	Award Procurement Automation Contract	0w	1/31/99	1/31/99	1/31
91	Define CPDS Requirements	8w	2/1/99	3/26/99	
92	Preliminary/Detail Design	8w	3/29/99	5/21/99	

ID	Task Name	Duration	Start	Finish	1999 / 2000 Timeline
93	Code/Test CPDS Replacement	6w	5/24/99	7/2/99	
94	Convert 'Old' CPDS Data	4w	7/5/99	7/30/99	
95	CPDS Replacement Implemented	0w	7/30/99	7/30/99	7/30
96	**Vendor Outreach (First Session)**	**511d**	**3/11/99**	**2/23/01**	
97	Full Time SBS Available	0w	9/17/99	9/17/99	9/17
98	Get Info on Justice, Treasury Programs	30d	9/25/00	11/3/00	
99	Develop Guidelines for Program Reps	30d	11/6/00	12/15/00	
100	Home Page Development Complete	0w	3/11/99	3/11/99	3/11
101	Plan First Meeting	4w	11/6/00	12/1/00	
102	Identify Program Representatives	4w	12/18/00	1/12/01	
103	Design Publicity Program	2w	12/4/00	12/15/00	
104	Publicize Meeting	8w	12/18/00	2/9/01	
105	Arrange for Facility	2w	12/4/00	12/15/00	
106	Accept Appointments	4w	1/15/01	2/9/01	
107	Hold First Meeting	0w	2/9/01	2/9/01	2/9
108	Follow Up Assessment	2w	2/12/01	2/23/01	
109	**Socioeconomic Goal Setting**	**112d**	**1/11/99**	**6/15/99**	
110	Draft DAO, Procedures, etc.	8w	1/11/99	3/5/99	
111	Draft Transmittal Memo and Get Signature	32d	3/8/99	4/20/99	
112	Draft Talking Point for EMT Meeting	2d	3/8/99	3/9/99	
113	EMT Meeting	0w	3/9/99	3/9/99	3/9
114	Meet w/CFOs, HCOs, et. al.	8w	4/21/99	6/15/99	
115	Procedures in Place for 2000 Goal Setting	0w	6/15/99	6/15/99	6/15

ATTACHMENT D
BPR to Enhance Contracting Opportunities for Small Businesses
IMPLEMENTATION SCHEDULE

ID	Task Name	Duration	Start	Finish	1999 / 2000 Timeline
116	Issue FY2000 Goal Call Letter	0w	6/15/99	6/15/99	6/15
117	**Internet Access - Interim**	**50d**	**1/1/99**	**3/11/99**	
118	Assemble Short Term Design Team	2w	1/1/99	1/14/99	
119	Roll Out Interim Home Page(s)	8w	1/15/99	3/11/99	
120	**Internet Access - Full Implementation**	**596d**	**1/1/99**	**4/13/01**	
121	Develop SOW	4w	1/1/99	1/28/99	
122	Determine Contract Vehicle	4w	1/1/99	1/28/99	
123	Select Contractor	3w	1/29/99	2/18/99	
124	Contractor Interviews/Focus Groups	16w	2/19/99	6/10/99	
125	Contract Development of Web Pages	20w	3/5/99	7/22/99	
126	Prepare Briefing for DOC Executives	8w	2/19/99	4/15/99	
127	Prepare Draft Report of Recommendations	12w	2/19/99	5/13/99	
128	Deliver Final Report of Recommendations	2w	5/14/99	5/27/99	
129	Roll Out New Home Pages	20w	3/19/99	8/5/99	
130	Implement Past Performance Access	7w	7/5/99	8/20/99	
131	Implement Vendor Outreach Board	7w	2/26/01	4/13/01	
132	Implement Contract Opportunities Page	7w	2/26/01	4/13/01	
133	Start Home Page Maintenance	0w	3/19/99	3/19/99	3/19
134	**Past Performance Database**	**110d**	**1/31/99**	**7/2/99**	
135	Award Patent Automation Contract	0w	1/31/99	1/31/99	1/31
136	Develop Past Perf. Data Capture	6w	2/1/99	3/12/99	
137	Define Past Perf DB Requirements	6w	3/15/99	4/23/99	
138	Acquire Web Page Services	0w	4/23/99	4/23/99	4/23

ID	Task Name	Duration	Start	Finish	1999 / 2000
139	Develop Past Performance DB	8w	4/26/99	6/18/99	
140	Test Past Performance DB	2w	6/21/99	7/2/99	
141	Develop Maintenance Procedures	8w	4/26/99	6/18/99	
142	Deploy Past Performance DB	0w	7/2/99	7/2/99	7/2
143	**Mentor Small Business Contractors**	**430d**	**12/4/98**	**7/27/00**	
144	**Mentor/Protege Programs**	**45d**	**1/1/99**	**3/4/99**	
145	Establish Agreement with NASA/NOAA	3w	1/1/99	1/21/99	
146	Explore Other Agencies' Mentoring Programs	6w	1/1/99	2/11/99	
147	Establish Agreements with Other Agencies	3w	2/12/99	3/4/99	
148	**Contractor's Roundtable**	**410d**	**1/1/99**	**7/27/00**	
149	Observe NASA Roundtable Meeting	4w	1/1/99	1/28/99	
150	Increase OSDBU Staff to Support Effort	16w	1/1/99	4/22/99	
151	Obtain Updated List of Prime Contractors	12w	4/23/99	7/15/99	
152	Set Up First Meeting	2w	7/16/99	7/29/99	
153	Conduct First Meeting	0w	7/29/99	7/29/99	7/29
154	Evaluate Meeting Results	52w	7/30/99	7/27/00	
155	**Training and Technical Assistance**	**360d**	**12/4/98**	**4/20/00**	
156	Review Existing MBDA Programs	4w	1/1/99	1/28/99	
157	Develop Commerce-Specific Programs	4w	1/29/99	2/25/99	
158	Coordinate with MBDA	8w	12/4/98	1/28/99	
159	Work with MBDA to Develop Program	24w	1/29/99	7/15/99	
160	Review Other Agency Programs	4w	1/29/99	2/25/99	
161	Participate in MDBA Programs	24w	1/29/99	7/15/99	

ATTACHMENT D
BPR to Enhance Contracting Opportunities for Small Businesses
IMPLEMENTATION SCHEDULE

ID	Task Name	Duration	Start	Finish	1999	2000
162	Develop OSDBU Programs	24w	2/26/99	8/12/99		
163	Establish List of Minority Educ. Institutions	2w	1/29/99	2/11/99		
164	Sponsor First Event	24w	7/16/99	12/30/99		
165	Develop Reporting System, Success Stories	36w	8/13/99	4/20/00		
166	**DAO, Manual Revisions**	**440d**	**1/1/99**	**9/7/00**		
167	Identify Documents to be Revised	8w	1/1/99	2/25/99		
168	Assign Revision Work	2w	2/26/99	3/11/99		
169	Begin Document Revision Process	0w	3/11/99	3/11/99	3/11	
170	Revise/Approve Documents	78w	3/12/99	9/7/00		
171	Begin Ongoing Document Maintenance	0w	9/7/00	9/7/00		9/7